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STATE OF NEW MEXICO ENVIRONMENTAL IMPROVEMENT BOARD

IN THE MATTER OF PROPOSED NEW REGULATION, 20.2.50 NMAC OIL AND GAS SECTOR – OZONE PRECURSOR POLLUTANTS

No. EIB 21-27 (R)

CLOSING ARGUMENTS ON BEHALF OF OXY USA INC.

Oxy USA Inc. ("Oxy USA") hereby submits these closing arguments pursuant to the November 16, 2021 Notice of Transcript Filing and November 22, 2021 Amendment to Procedural Order on Post-Hearing Process.

Oxy USA supports the New Mexico Environment Department ("NMED" or "the Department") in seeking to reduce volatile organic compounds ("VOC") and nitrogen oxide ("NO_{x"}) emissions from oil and gas operations in the state. Oxy USA appreciates that NMED has considered input from industry, environmental advocacy groups, members of the Environmental Improvement Board (the "Board"), and members of the public in developing new regulations. Such collaboration between stakeholders is a hallmark of good government and has resulted in improvements to the proposed rule based on reasonable, effective, and practical solutions.

The final proposed rule, as circulated by NMED on January 18, 2022, resolved most of Oxy USA's concerns with the initial proposal NMED filed on May 6, 2021. In particular, Oxy USA agrees with NMED's changes to 20.2.50.116.C NMAC and 20.2.50.123 NMAC. As it concerns 20.2.50.116.C NMAC, NMED's changes 1) clearly exempt injection well sites and temporarily abandoned well sites; 2) apply practical inspection requirements for wellhead only

¹ See 20.2.50.116.C(9) NMAC: "Injection well sites and temporarily abandoned well sites are not subject to the leak survey requirements of Paragraphs (3) through (6) of Subsection C of 20.2.50.116 NMAC."

facilities and inactive well sites;² and 3) incorporate reasonable monitoring requirements for sites in proximity to occupied areas,³ as advocated by Environmental Defense Fund, Conservation Voters New Mexico, Diné C.A.R.E., Earthworks, National Parks Conservation Association, Natural Resources Defense Council, San Juan Citizens Alliance, Sierra Club, 350 New Mexico, 350 Santa Fe, and the Center for Civic Policy and NAVA Education Project (collectively, the "e-NGOs"), and supported by Oxy USA. These changes effectively focus efforts on the activities that are most likely to reduce emissions and to protect citizens and the environment. In addition, in reviewing 20.2.50.123 NMAC, NMED acknowledged that "... there will be thousands of existing tanks subject to this part," and accepted Oxy USA's proposed timelines for implementation.⁵

Oxy continues to have concerns with implementation timelines and unclear obligations under certain sections of the rule. Accordingly, Oxy USA proposes modifications to 20.2.50.115 NMAC, 20.2.50.116 NMAC, 20.2.50.120 NMAC, 20.2.50.122 NMAC, and 20.2.50.124 NMAC. Finally, Oxy USA continues to support the flowback proposal advocated by the e-NGOs as 20.2.50.127 NMAC. Oxy USA requests that the Board consider Oxy USA's final edits to the proposed rule, attached here as *Oxy USA Closing Exhibit 1: Proposed Final 20.2.50 NMAC Revisions*. The bases for each of Oxy USA's edits are discussed below.

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² See 20.2.50.116.C(3)(f) NMAC: "for existing wellhead only facilities, annual inspections shall be completed on the following schedule: 30% by January 1, 2024; 65% by January 1, 2025; and 100% by January 1, 2026." See also 20.2.50.116.C(3)(g) NMAC: "for inactive well sites: (i) for well sites that are inactive on or before the effective date of this Part, annually beginning within 6 months of the effective date of this Part; (ii) for well sites that become inactive after the effective date of this Part, annually beginning 30 days after the site becomes an inactive well site."

³ See 20.2.50.116.C(3)(e): "for well sites within 1,000 feet of an occupied area: (i) quarterly at facilities with a PTE less than 5 tpy VOC; and ii) monthly at facilities with a PTE equal to or greater than 5 tpy VOC."

⁴ See Hearing Transcript at TR-3030:19-25 and TR-3031:1-3.

⁵ See 20.2.50.123.B(1)(a)-(c) NMAC: "(a) By January 1, 2025, an owner or operator shall ensure at least 30% of the company's existing storage vessels are controlled; (b) By January 1, 2027, an owner or operator shall ensure at least an additional 35% of the company's existing storage vessels are controlled; and (c) By January 1, 2029, an owner or operator shall ensure the company's remaining existing storage vessels are controlled."

I. 20.2.50.115 NMAC: Control Devices

Under 20.2.50.115.E(1)(b) NMAC, sites that already have a vapor recovery unit ("VRU") installed as of the effective date of the rule are required to install a backup control device or redundant VRU. Although the Department's January 18, 2022 proposal incorporates a three-year phase-in schedule, Oxy USA continues to believe that a five-year phase-in timeline is more appropriate. Parties on all sides of the proceeding, including members of the Board, acknowledged during the hearing that the new equipment and retrofits required by these rules are substantial. As Mr. Holderman noted in his testimony, steel shortages, component shortages, lack of skilled manufacturing labor, limited manufacturing capacity, lack of skilled installers, supply chain issues, and growing demand for similar equipment in New Mexico and other states all limit operators' abilities to meet the proposed rule's retrofit and installation requirements within the proposed three-year timeframe.⁶

When discussing storage vessel requirements, NMED's Elizabeth Bisbey-Kuehn acknowledged that there will be supply chain issues, competition among manufacturers, and "... real construction and logistical challenges to, I think, even probably having that infrastructure -that infrastructure available to comply with these requirements."⁷ These concerns also apply to the installation of VRUs. As Mr. Holderman's testimony noted, control device manufacturers estimate that the market as a whole can produce up to 500 VRUs in a year, which is not enough to meet the substantial increase in demand triggered by the rule. Oxy USA alone would need

⁶ See Hearing Transcript at TR-1897:5-11.

⁷ See Hearing Transcript at TR-2894:4-23.

approximately 150 to 200 backup VRUs for the 2,700 wells it operates in the state. That does not include any primary VRUs that Oxy USA will need for normal operations.⁸

In addition, Oxy USA would not be the only operator affected by the requirements of 20.2.50.115 NMAC. Every other operator impacted by this rule would also need to begin obtaining VRUs and other control devices in order to comply. This means that the 500 total VRUs available to the market each year would be split between new facilities, existing facilities without a primary VRU, and existing facilities without a backup VRU. Splitting the limited resources among these facilities will likely prevent some facilities from obtaining a primary VRU, let alone a backup. However, facilities without a primary VRU have greater emissions – and a greater potential for emissions reductions – than those that only lack a backup VRU. Oxy USA's proposed five-year timeline would allow sufficient time for these facilities to obtain and install primary VRUs, before triggering the demand for backup VRUs.

Finally, even if the VRU supply were eventually able to meet demand, operators would still need skilled personnel to install and maintain the equipment. It could take years for manufacturing capacity and the labor force to scale to the necessary levels.

Oxy USA believes it is critical to provide additional phase-in time that accounts for the realities of these resource restrictions and allows operators to target higher-emitting sources first. Without meaningful additional relief on the deadline for VRU installation, Oxy USA and other operators run the risk of being out of compliance for reasons that are completely beyond their control.

⁸ See Hearing Transcript at TR-1898:21-25.

II. 20.2.50.116 NMAC: Equipment Leaks and Fugitive Emissions

A. Alternative Monitoring Methods

Oxy USA supports the Department's proposal to allow for alternative equipment leak monitoring plans in 20.2.50.116.D NMAC and requests that the Department clarify that this provision allows for alternative monitoring methods. Oxy USA believes this is NMED's intent, but seeks confirmation and clarification in the final rule. Other parties to the hearing already interpreted the proposed regulations to allow for alternative methods. For instance, the witness for the Environmental Defense Fund ("EDF") stated that, "NMED's proposal allows operators to obtain approval to use alternative . . . equipment leak monitoring plans in Section [116.D]. Most likely many of these plans will rely on a combination of fixed [sensors], aerial surveys and/or satellites." EDF's expert assumed the rule would allow the option for plans to use alternative technologies (*i.e.*, alternative methods). Oxy USA agrees with this interpretation, but requests that the final rule make it clear on its face that alternative technologies are allowed.

In addition to being more practical, alternative monitoring methods can also be more effective. As Mr. Holderman noted in his testimony, "Oxy USA has been piloting sensor-based technology to electronically capture gas emissions, audio data and visual data from locations as an alternative compliance method to [audio, visual, and olfactory ("AVO")] inspections. This method has the potential to be a more cost effective and accurate form of data capture than traditional AVOs which can enable greater emissions reductions. Alternative technologies have potential to result in more rapid identification and response than AVO inspections." In turn, more rapid identification and response capabilities allow operators to effectively reduce emissions.

⁹ See Hearing Transcript at TR-2605:18-23.

¹⁰ See Hearing Transcript at TR-2527:5-14.

III. 20.2.50.120 NMAC: Hydrocarbon Liquid Transfers

The final version of the proposed rule includes a requirement to inspect hydrocarbon liquid transfer equipment once per year during a transfer. This requirement will be difficult to implement at unstaffed locations. Third-party lease operators often conduct transfers at these unstaffed locations and Oxy USA does not always receive notification of a proposed transfer with enough time to ensure that a representative is present for the inspection. As Mr. Holderman noted during the hearing, "... the majority of the leaks that happen during transfer tend to happen because of operator error, not because the equipment is leaking. And so if we're going to go to the effort [to] institute a rule to minimize emissions, it needs to be around a protocol that allows us to more frequently inspect [the third-party lease operators] that are making those connections rather than an arbitrary once a year test [of] that connection environment." Oxy USA does not believe that an annual inspection during transfer will provide sufficient benefit to offset the logistical issues associated with its implementation. Rather, Oxy USA believes there are more effective measures – targeted at the personnel making the transfers – that can be taken to reduce emissions.

IV. 20.2.50.122 NMAC: Pneumatic Controllers and Pumps

A. Compliance Schedule

The final version of the proposed rule maintains the compliance schedule that the Department initially proposed in the May 6, 2021 version of the proposed rule – a compliance schedule that requires a certain percentage of pneumatic controllers and pumps to be in compliance by a specific date. By not tying these completion goals to production, NMED's proposal puts "form over substance." As Oxy USA has consistently noted throughout this process, basing the compliance timeline for pneumatic controllers on historic liquids production as opposed to the

¹¹ See Hearing Transcript at TR-1972:19-25 and TR-1973:1-4.

number of pneumatic controllers at a site -i.e., requiring that the pneumatic controllers with highest historic liquids production be addressed first - would better ensure that the pneumatic controllers that are actuated most frequently, and therefore have the potential to emit more often, are retrofitted first. A percentage-driven compliance schedule does not compel operators to target the higher producing (*i.e.*, higher emitting) sites first. In fact, a percentage-driven compliance schedule could incentivize addressing the lower producing sites sooner than the higher producing sites, even though emissions reductions will be greater at the latter.

NMED has already acknowledged the value of tying obligations to production. During a discussion of the 20.2.50.116 NMAC leak detection requirements at the hearing, Ms. Bisbey-Kuehn noted that the frequency of AVO obligations was based on the understanding that, "... higher production facilities will have necessarily higher – more equipment with more leakage opportunities and should be inspected more frequently." This explanation follows common sense – higher producing facilities should be surveyed more often because they likely emit more often. The same logic applies to pneumatic controllers – facilities with greater historic liquids production will have more opportunities for pneumatic controller emissions.

Oxy USA encourages the Board to adopt the modified implementation schedule previously proposed in *Oxy USA Rebuttal Exhibit 1*, which was also supported by the e-NGOs.

B. Treatment of Artificial Lifts

Oxy USA also requests that artificial lifts located at wellhead-only facilities be exempt from the requirement to retrofit with access to commercial line electrical power. Wellhead-only facilities are often in remote areas. As Mr. Holderman testified during the hearing, "... it's not always logistically feasible to electrify these locations due to issues outside of Oxy USA's control,

¹² See Hearing Transcript at TR-2451:20-25 and TR-2452:1-3.

including right of way issues, distance from line power, and the capacity [for electricity] at a facility. Even without the foregoing concerns, the cost and timing can be prohibitive. The cost to run an electrical line in Southwest New Mexico at a facility is around \$200,000 per mile, and with lead times up to a year at present."¹³ In addition, wellhead-only facilities do not contain other production or processing equipment. Exempting artificial lifts at these facilities would allow operators to focus resources to retrofit producing locations and would result in the greatest emissions reductions.

C. Monitoring

Oxy USA supports the Department's addition to 20.2.50.122.C NMAC that applies the monitoring requirements of 20.2.50.116 NMAC to pneumatic controllers, but believes it is necessary to add language to clarify that detectable emissions should not trigger enforcement if the owner or operator properly addresses any findings. As Mr. Holderman stated during his testimony, "Oxy USA believes this clarification is necessary because optical gas imaging and Method 21 inspections cannot quantify [an] emission rate." In addition, providing a clear process to rectify issues without enforcement incentivizes operators to address promptly all issues identified during inspections, which helps to further reduce emissions. The e-NGOs supported this additional language in their rebuttal proposals, and Oxy USA appreciates their agreement. 15

V. **20.2.50.124 NMAC: Well Workovers**

Oxy USA supports the notification requirements in 20.2.50.124.E(2) NMAC. However, Oxy USA believes that 20.2.50.124 NMAC should be modified to be consistent with the use of "occupied areas" as accepted and incorporated by the Department in 20.2.50.116 NMAC.

¹³ See Hearing Transcript at TR-2212:9-23.

¹⁴ See Hearing Transcript at TR-2213:8-11.

¹⁵ See EDF's Exhibit VV.

Specifically, 20.2.50.124 NMAC should be clarified to state that the quarter mile distance covers

the distance from the latitude and longitude of wellheads to: 1) the property line for schools; 2) the

property line for outdoor venues and recreation areas; 3) the location of buildings or structures

used as a place of residence; and 4) the location of commercial buildings. In addition, notification

to "residents" should cover anyone in manufactured, mobile, and modular homes, except that any

such manufactured, mobile, or modular home intended for temporary occupancy or for business

purposes should be excluded. These clarifications will help ensure more accurate evaluations and

consistency within the rule.

VI. 20.2.50.127 NMAC: Requirements for Flowback Vessels and Preproduction

Operations

Oxy USA supports the proposed Requirements for Flowback Vessels and Preproduction

Operations advanced by the e-NGOs as 20.2.50.127 in EDF's Exhibit VV. This proposed section

would establish emissions standards, monitoring, and recordkeeping obligations related to

flowback. Oxy USA appreciates the value of these requirements and believes the proposal is

workable for Oxy USA's New Mexico operations.

Date: January 20, 2022

Respectfully submitted,

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Oxy USA Closing Exhibit 1: Proposed Final 20.2.50 NMAC Revisions

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1
      TITLE 20
                        ENVIRONMENTAL PROTECTION
 2
      CHAPTER 2
                        AIR OUALITY (STATEWIDE)
 3
      PART 50
                        OIL AND GAS SECTOR - OZONE PRECURSOR POLLUTANTS
 4
 5
      20.2.50.1
                        ISSUING AGENCY: Environmental Improvement Board.
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      [20.2.50.1 NMAC - N, XX/XX/2021]
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      20.2.50.2
                        SCOPE: This Part applies to sources located within areas of the state under the board's
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      jurisdiction that, as of the effective date of this Part or anytime thereafter, are causing or contributing to ambient
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      ozone concentrations that exceed ninety-five percent of the national ambient air quality standard for ozone, as
      measured by a design value calculated and based on data from one or more department monitors. As of the effective
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      date, sources located in the following counties of the state are subject to this Part: Chaves, Dona Ana, Eddy, Lea,
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      Rio Arriba, Sandoval, San Juan, and Valencia.
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                        If, at any time after the effective date of this Part, sources in any other area(s) of the state not
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      previously specified are determined to be causing or contributing to ambient ozone concentrations that exceed
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      ninety-five percent of the national ambient air quality standard for ozone, as measured by a design value calculated
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      by the U.S. Environmental Protection Agency based on data from one or more department monitors, the department
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      shall petition the Board to amend this Part to incorporate such areas.
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                                The notice of proposed rulemaking shall be published no less than one-hundred and
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      eighty (180) days before sources in the affected areas will become subject to this Part, and shall include, in addition
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      to the requirements of the Board's rulemaking procedures at 20.1.1.301 NMAC:
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                                         a list of the areas that the department proposed to incorporate into this Part, and
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      the date upon which the sources in those areas will become subject to this Part; and
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                                         proposed implementation dates, consistent with the time provided in the phased
                                (b)
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      implementation schedules provided for throughout this Part, for sources within the areas subject to the proposed
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      rulemaking to come into compliance with the provisions of this Part.
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                                In any rulemaking pursuant to this Section, the Board shall be limited to consideration of
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      only those proposed changes necessary to incorporate other areas of the state into this Part.
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                        Once a source becomes subject to this Part based upon its potential to emit, all requirements of
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      this Part that apply to the source are irrevocably effective unless the source obtains a federally enforceable limit on
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      the potential to emit that is below the applicability thresholds established in this Part, or the relevant section contains
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      a threshold below which the requirements no longer apply.
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       [20.2.50.2 \text{ NMAC} - \text{N}, XX/XX/2021]
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                        STATUTORY AUTHORITY: Environmental Improvement Act, Section 74-1-1 to 74-1-16
      20.2.50.3
      NMSA 1978, including specifically Paragraph (4) and (7) of Subsection A of Section 74-1-8 NMSA 1978, and Air
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      Quality Control Act, Sections 74-2-1 to 74-2-22 NMSA 1978, including specifically Subsections A, B, C, D, F, and
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      G of Section 74-2-5 NMSA 1978 (as amended through 2021).
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      [20.2.50.3 NMAC - N, XX/XX/2021]
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      20.2.50.4
                        DURATION: Permanent.
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      [20.2.50.4 NMAC - N, XX/XX/2021]
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                        EFFECTIVE DATE: Month XX, 2022, except where a later date is specified in another Section.
      20.2.50.5
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      [20.2.50.5 NMAC - N, XX/XX/2021]
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                        OBJECTIVE: The objective of this Part is to establish emission standards for volatile organic
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      compounds (VOC) and oxides of nitrogen (NO<sub>x</sub>) for oil and gas production, processing, compression, and
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      transmission sources.
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      [20.2.50.6 NMAC - N, XX/XX/2021]
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52 **20.2.50.7 DEFINITIONS:** In addition to the terms defined in 20.2.2 NMAC - Definitions, as used in this 53 Part, the following definitions apply.

A. "Auto-igniter" means a device that automatically attempts to relight the pilot flame of a control device in order to combust VOC emissions, or a device that will automatically attempt to combust the VOC emission stream.

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D.

- В. "Bleed rate" means the rate in standard cubic feet per hour at which gas is continuously vented from a pneumatic controller.
 - C. "Calendar year" means a year beginning January 1 and ending December 31.

drawing in low-pressure natural gas and discharging significantly higher-pressure natural gas by means of a

mechanical rotating vane or impeller. A screw, sliding vane, and liquid ring compressor is not a centrifugal

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- compressor. E. "Closed vent system" means a system that is designed, operated, and maintained to route the VOC emissions from a source or process to a process stream or control device with no loss of VOC emissions to the

"Centrifugal compressor" means a machine used for raising the pressure of natural gas by

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- operation.
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- "Gathering and boosting station" means a facility, including all equipment and compressors,

- atmosphere during operation. "Commencement of operation" means for an oil and natural gas well site, the date any permanent production equipment is in use and product is consistently flowing to a sales line, gathering line or
- storage vessel from the first producing well at the stationary source, but no later than the end of well completion "Component" means a pump seal, flange, pressure relief device (including thief hatch or other G.
- opening on a storage vessel), connector or valve that contains or contacts a process stream with hydrocarbons, except for components where process streams consist solely of glycol, amine, produced water, or methanol.
- "Connector" means flanged, screwed, or other joined fittings used to connect pipeline segments, tubing, pipe components (such as elbows, reducers, "T's" or valves) to each other; or a pipeline to a piece of equipment; or an instrument to a pipe, tube, or piece of equipment. A common connector is a flange. Joined fittings welded completely around the circumference of the interface are not considered connectors for the purpose of this Part.
- "Construction" means fabrication, erection, or installation of a stationary source, including but not limited to temporary installations and portable stationary sources, but does not include relocations or like-kind replacements of existing equipment.
- "Control device" means air pollution control equipment or emission reduction technologies that J. thermally combust, chemically convert, or otherwise destroy or recover air contaminants. Examples of control devices may include but are not limited to open flares, enclosed combustion devices (ECDs), thermal oxidizers (TOs), vapor recovery units (VRUs), fuel cells, condensers, catalytic converters (oxidative, selective, and nonselective), or other emission reduction equipment. A control device may also include any other air pollution control equipment or emission reduction technologies approved by the department to comply with emission standards in this Part. A VRU or other equipment used primarily as process equipment is not considered a control device.
 - K. "Department" means the New Mexico environment department.
- L. "Design value" means the 3-year average of the annual fourth-highest daily maximum 8-hour average ozone concentration.
 - "Downtime" means the period of time when equipment is not in operation. M.
- "Drilling" or "drilled" means the process to bore a hole to create a well for oil and/or natural gas production.
 - O. "Drill-out" means the process of removing the plugs placed during hydraulic fracturing or refracturing. Drill-out ends after the removal of all stage plugs and the initial wellbore cleanup.
- "Enclosed combustion device" means a combustion device where waste gas is combusted in an PN. enclosed chamber solely for the purpose of destruction. This may include, but is not limited to, an enclosed flare or combustor.
 - "Existing" means constructed or reconstructed before the effective date of this Part. QQ.
- "Flowback" means the process of allowing fluids and entrained solids to flow from a well following stimulation, either in preparation for a subsequent phase of treatment or in preparation for cleanup and placing the well into production. The term <u>flowback also means the fluids and entrained solids flowing from a well</u> after drilling or hydraulic fracturing or refracturing. Flowback ends when all temporary flowback equipment is removed from service. Flowback does not include drill-out.
 - "Flowback vessel" means a vessel that contains flowback.
- located downstream of a well site that collects or moves natural gas prior to the inlet of a natural gas processing plant; or prior to a natural gas transmission pipeline or transmission compressor station if no gas processing is performed; or collects, moves, or stabilizes crude oil or condensate prior to an oil transmission pipeline or other form of transportation. Gathering and boosting stations may include equipment for liquids separation, natural gas dehydration, and tanks for the storage of water and hydrocarbon liquids.

- **QU.** "Glycol dehydrator" means a device in which a liquid glycol absorbent, including ethylene glycol, diethylene glycol, or triethylene glycol, directly contacts a natural gas stream and absorbs water.
- **RV.** "High-bleed pneumatic controller" means a continuous bleed pneumatic controller that is designed to have a continuous bleed rate that emits in excess of 6 standard cubic feet per hour (scfh) of natural gas to the atmosphere.
- W. Hydraulic fracturing" means the process of directing pressurized fluids containing any combination of water, proppant, and any added chemicals to penetrate tight formations, such as shale, coal, and tight sand formations, that subsequently require flowback to expel fracture fluids and solids.
- X. "Hydraulic refracturing" means conducting a subsequent hydraulic fracturing operation at a well that has previously undergone a hydraulic fracturing operation.
- **SY.** "Hydrocarbon liquid" means any naturally occurring, unrefined petroleum liquid and can include oil, condensate, and intermediate hydrocarbons. Hydrocarbon liquid does not include produced water.
- **TZ.** "Inactive well site" means a well site where the well is not being used for beneficial purposes, such as production or monitoring, and is not being drilled, completed, repaired or worked over.
- **UAA.** "Injection well site" means a well site where the well is used for the injection of air, gas, water or other fluids into an underground stratum.
- **YBB.** "Intermittent pneumatic controller" means a pneumatic controller that is not designed to have a continuous bleed rate but is designed to only release natural gas above de minimis amounts to the atmosphere as part of the actuation cycle.
- **WCC.** "Liquid unloading" means the removal of accumulated liquid from the wellbore that reduces or stops natural gas production.
- **XDD.** "Liquid transfer" means the unloading of a hydrocarbon liquid from a storage vessel to a tanker truck or tanker rail car for transport.
- **YEE.** "Local distribution company custody transfer station" means a metering station where the local distribution (LDC) company receives a natural gas supply from an upstream supplier, which may be an interstate transmission pipeline or a local natural gas producer, for delivery to customers through the LDC's intrastate transmission or distribution lines.
- **ZFF.** "Low-bleed pneumatic controller" means a continuous bleed pneumatic controller that is designed to have a continuous bleed rate that emits less than or equal to 6 scfh of natural gas to the atmosphere.
- AAGG. "Natural gas-fired heater" means an enclosed device using a controlled flame and with a primary purpose to transfer heat directly to a process material or to a heat transfer material for use in a process.
- BBHH. "Natural gas processing plant" means the processing equipment engaged in the extraction of natural gas liquid from natural gas or fractionation of mixed natural gas liquid to a natural gas product, or both. A Joule-Thompson valve, a dew point depression valve, or an isolated or standalone Joule-Thompson skid is not a natural gas processing plant.
 - **CCII.** "New" means constructed or reconstructed on or after the effective date of this Part.
- **PDJJ.** "Non-emitting controller" means a device that monitors a process parameter such as liquid level, pressure, or temperature and sends a signal to a control valve in order to control the process parameter and does not emit natural gas to the atmosphere. Examples of non-emitting controllers include but are not limited to instrument air or inert gas pneumatic controllers, electric controllers, mechanical controllers and Routed Pneumatic Controllers.
 - **EEKK.** "Occupied area" means the following:
- (1) a building or structure used as a place of residence by a person, family, or families, and includes manufactured, mobile, and modular homes, except to the extent that such manufactured, mobile, or modular home is intended for temporary occupancy or for business purposes;
- (2) indoor or outdoor spaces associated with a school that students use commonly as part of their curriculum or extracurricular activities;
- (3) five-thousand (5,000) or more square feet of building floor area in commercial facilities that are operating and normally occupied during working hours: and
- (4) an outdoor venue or recreation area, such as a playground, permanent sports field, amphitheater, or similar place of outdoor public assembly.
- **FFLL.** "Operator" means the person or persons responsible for the overall operation of a stationary source.
- **GGMM. "Optical gas imaging (OGI)"** means an imaging technology that utilizes a high-sensitivity infrared camera designed for and capable of detecting hydrocarbons.
 - **HHNN.** "Owner" means the person or persons who own a stationary source or part of a stationary source.

HOO. "Permanent pit or pond" means a pit or pond used for collection, retention, or storage of produced water or brine and is installed for longer than one year.

JJPP. "Pneumatic controller" means a device that monitors a process parameter such as liquid level, pressure, or temperature and uses pressurized gas (which may be released to the atmosphere during normal operation) and sends a signal to a control valve in order to control the process parameter. Controllers that do not utilize pressurized gas are not pneumatic controllers.

KKQQ. "Pneumatic diaphragm pump" means a positive displacement pump powered by pressurized gas that uses the reciprocating action of flexible diaphragms in conjunction with check valves to pump a fluid. A pump in which a fluid is displaced by a piston driven by a diaphragm is not considered a diaphragm pump. A lean glycol circulation pump that relies on energy exchange with the rich glycol from the contactor is not considered a diaphragm pump.

LLRR. "Potential to emit (PTE)" means the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on the hours of operation or on the type or amount of material combusted, stored or processed, shall be treated as part of its design if the limitation is federally enforceable. The PTE for nitrogen dioxide shall be based on total oxides of nitrogen.

SS. "Pre-production operations" means the drilling through the hydrocarbon bearing zones, hydraulic fracturing or refracturing, drill-out, and flowback of an oil and/or natural gas well.

MM.TT "Produced water" means a liquid that is an incidental byproduct from well completion and the production of oil and gas.

NNUU. "Produced water management unit" means a recycling facility or a permanent pit or pond that is a natural topographical depression, man-made excavation, or diked area formed primarily of earthen materials (although it may be lined with man-made materials), which is designed to accumulate produced water and has a design storage capacity equal to or greater than 50,000 barrels.

OOVV. "Qualified Professional Engineer" means an individual who is licensed by a state as a professional engineer to practice one or more disciplines of engineering and who is qualified by education, technical knowledge, and experience to make the specific technical certifications required under this Part.

PPWW. "Reciprocating compressor" means a piece of equipment that increases the pressure of process gas by positive displacement, employing linear movement of a piston rod.

QQXX. "Reconstruction" means a modification that results in the replacement of the components or addition of integrally related equipment to an existing source, to such an extent that the fixed capital cost of the new components or equipment exceeds fifty percent of the fixed capital cost that would be required to construct a comparable entirely new facility.

RRYY. "Recycling facility" means a stationary or portable facility used exclusively for the treatment, reuse, or recycling of produced water and does not include oilfield equipment such as separators, heater treaters, and scrubbers in which produced water may be used.

SSZZ. "Responsible official" means one of the following:

(1) for a corporation: president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation, or a duly authorized representative.

for a partnership or sole proprietorship: a general partner or the proprietor, respectively.

Routed pneumatic controller means a pneumatic controller of any type that releases natural gas to a process, sales line, or to a combustion device instead of directly to the atmosphere.

UUBBB. "Small business facility" means, for the purposes of this Part, a source that is independently owned or operated by a company that is a not a subsidiary or a division of another business, that employs no more than 10 employees at any time during the calendar year, and that has a gross annual revenue of less than \$250,000. Employees include part-time, temporary, or limited service workers.

VVCCC. "Stabilized" means, when used to refer to stored condensate, that the condensate has reached substantial equilibrium with the atmosphere and that any emissions that occur are those commonly referred to within the industry as "working and breathing losses."

WWDDD. "Standalone tank battery" means a tank battery that is not designated as associated with a well site, gathering and boosting station, natural gas processing plant, or transmission compressor station.

**Startup" means the setting into operation of air pollution control equipment or process equipment.

YYFFF. "Stationary Source" or "source" means any building, structure, equipment, facility, installation (including temporary installations), operation, process, or portable stationary source that emits or may emit any air

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20.2.50.11

SAVINGS CLAUSE: Repeal or supersession of prior versions of this Part shall not affect 20.2.50.10

[20.2.50.10 NMAC - N, XX/XX/2021]

COMPLIANCE WITH OTHER REGULATIONS: Compliance with this Part does not relieve a person from the responsibility to comply with other applicable federal, state, or local laws, rules or regulations,

contaminant. Portable stationary source means a source that can be relocated to another operating site with limited dismantling and reassembly. ZZGGG. "Storage vessel" means a single tank or other vessel that is designed to contain an

accumulation of hydrocarbon liquid or produced water and is constructed primarily of non-earthen material including wood, concrete, steel, fiberglass, or plastic, which provide structural support. A well completion vessel that receives recovered liquid from a well after commencement of operation for a period that exceeds 60 days is considered a storage vessel. A storage vessel does not include a vessel that is skid-mounted or permanently attached to a mobile source and located at the site for less than 180 consecutive days, such as a truck or railcar; a process vessel such as a surge control vessel, bottom receiver, or knockout vessel; a pressure vessel designed to operate in excess of 204.9 kilopascals (29.72 psi) without emissions to the atmosphere; or a floating roof tank complying with 40 CFR Part 60, Subpart Kb.

"Tank battery" means a storage vessel or group of storage vessels that receive or store AAAHHH. crude oil, condensate, or produced water from a well or wells for storage. The owner or operator shall designate whether a tank battery is a standalone tank battery or is associated with a well site, gathering and boosting station, natural gas processing plant, or transmission compressor station. The owner or operator shall maintain records of this designation and make them available to the department upon request. A tank battery associated with a well site, gathering or boosting station, natural gas processing plant, or transmission compressor station is subject to the requirements in this Part for those facilities, as applicable. Tank battery does not include storage vessels at saltwater disposal facilities or produced water management units.

BBBIII. "Temporarily abandoned well site" means an inactive well site where the well's completion interval has been isolated. The completion interval is the reservoir interval that is open to the borehole and is isolated when tubing and artificial equipment has been removed and a bottom plug has been set.

"Transmission compressor station" means a facility, including all equipment and compressors, that moves pipeline quality natural gas at increased pressure from a well site or natural gas processing plant through a transmission pipeline for ultimate delivery to the local distribution company custody transfer station, underground storage, or to other industrial end users. Transmission compressor stations may include equipment for liquids separation, natural gas dehydration, and tanks for the storage of water and hydrocarbon liquids.

"Vessel measurement system" means equipment and methods used to determine the DDDKKK. quantity of the liquids inside a vessel (including a flowback vessel) without requiring direct access through the vessel thief hatch or other opening.

LLL. "Wellhead only facility" means a well site that does not contain any production or processing equipment other than artificial lift natural gas driven pneumatic controllers and emergency shutdown device natural gas driven pneumatic controllers.

EEEMMM. "Well workover" means the repair or stimulation of an existing production well for the purpose of restoring, prolonging, or enhancing the production of hydrocarbons.

"Well site" means the equipment under the operator's control directly associated with one or more oil wells or natural gas wells upstream of the natural gas processing plant or gathering and boosting station, if any. A well site may include equipment used for extraction, collection, routing, storage, separation, treating, dehydration, artificial lift, combustion, compression, pumping, metering, monitoring, and product piping. A well site does not include an injection well site. [20.2.50.7 NMAC - N, XX/XX/2021]

SEVERABILITY: If any provision of this Part, or the application of this provision to any person 20.2.50.8 or circumstance is held invalid, the remainder of this Part, or the application of this provision to any person or circumstance other than those as to which it is held invalid, shall not be affected thereby. [20.2.50.8 NMAC - N, XX/XX/2021]

20.2.50.9 **CONSTRUCTION:** This Part shall be liberally construed to carry out its purpose. [20.2.50.9 NMAC - N, XX/XX/2021]

administrative or judicial action initiated under those prior versions.

including more stringent controls.
[20.2.50.11 NMAC - N, XX/XX/2021]

20.2.50.12 DOCUMENTS: Documents incorporated and cited in this Part may be viewed at the New Mexico environment department, air quality bureau.

[20.2.50.12 NMAC - N, XX/XX/2021]

[The Air Quality Bureau is located at 525 Camino de los Marquez, Suite 1, Santa Fe, New Mexico 87505.]

20.2.23.13-20.2.23.110 [RESERVED]

20.2.50.111 APPLICABILITY:

- A. This Part applies to certain crude oil and natural gas production and processing equipment associated with operations that extract, collect, separate, dehydrate, store, process, transport, transmit, or handle hydrocarbon liquids or produced water in the areas specified in 20.2.50.2 NMAC and are located at well sites, tank batteries, gathering and boosting stations, natural gas processing plants, and transmission compressor stations, up to the point of the local distribution company custody transfer station.
- **B.** In determining if any source is subject to this Part, including a small business facility as defined in this Part, the owner or operator shall calculate the Potential to Emit (PTE) of such source and shall have the PTE calculation certified by a qualified professional engineer or an inhouse engineer with expertise in the operation of oil and gas equipment, vapor control systems, and pressurized liquid samples. The emission standards and requirements of this Part may not be considered in the PTE calculation required in this Section or in determining if any source is subject to this Part. The calculation shall be kept on file for a minimum of five years and shall be provided to the department upon request. This certified calculation shall be completed before startup for new sources, and within two years of the effective date of this Part for existing sources.
- C. An owner or operator of a small business facility as defined in this Part shall comply with the requirements of this Part as specified in 20.2.50.125 NMAC.
- **D.** Oil transmission pipelines, oil refineries, natural gas transmission pipelines (except transmission compressor stations), and saltwater disposal facilities are not subject to this Part. [20.2.50.111 NMAC N, XX/XX/2021]

20.2.50.112 GENERAL PROVISIONS:

A. General requirements:

- (1) Sources subject to emissions standards and requirements under this Part shall be operated and maintained consistent with manufacturer specifications, or good engineering and maintenance practices. When used in this Part, the term manufacturer specifications means either the original equipment manufacturer (or successor) emissions-related design specifications, maintenance practices and schedules, or an alternative set of specifications, maintenance practices and schedules sufficient to operate and maintain such sources in good working order, which have been approved by qualified maintenance personnel based on engineering principles and field experience. The owner or operator shall keep manufacturer specifications on file when available, as well as any alternative specifications that are being followed, and make them available upon request by the department. The terms of 20.2.50.112.A(1) apply any time reference to manufacturer specifications occurs in this Part.
- Sources, including associated air pollution control equipment and monitoring equipment, subject to emission standards or requirements under this Part shall at all times, including periods of startup, shutdown, and malfunction, be operated and maintained in a manner consistent with safety and good air pollution control practices for minimizing emissions of VOC and NOx. During a period of startup, shutdown, or malfunction, this general duty to minimize emissions requires that the owner or operator reduce emissions from the affected source to the greatest extent consistent with safety and good air pollution control practices. The general duty to minimize emissions does not require the owner or operator to make any further efforts to reduce emissions beyond levels required by the applicable standard under this Part. The terms of 20.2.50.112.A(2) apply any time reference to minimizing emissions occurs in this Part.
- (3) Within two years of the effective date of this Part, owners and operators of a source requiring equipment monitoring, testing, or inspection shall develop and implement a data system(s) capable of storing information for each source in a manner consistent with this section. The owner or operator shall maintain information regarding each source requiring equipment monitoring, testing, or inspection in a data system(s), including the following information in addition to the required information specified in an applicable section of this Part:

1 (a) unique identification number; 2 **(b)** location (latitude and longitude) of the source: 3 (c) type of source (e.g., tank, VRU, dehydrator, pneumatic controller, etc.); 4 for each source, the controlled VOC (and NO_x, if applicable) emissions in (d) 5 lbs./hr. and tpy; 6 make, model, and serial number; and (e) 7 a link to the manufacturer maintenance schedule or repair recommendations, or **(f)** 8 company-specific operational and maintenance practices. 9 **(4)** The data system(s) shall be maintained by the owner or operator of the facility. 10 **(5)** The owner or operator shall manage the source's record of data in the data system(s). The owner or operator shall generate a Compliance Database Report (CDR) from the information in the data system. The 11 CDR is an electronic report maintained by the owner or operator and that can be submitted to the department upon 12 13 request. 14 The CDR is a report distinct from the owner or operator's data system(s). The department 15 does not require access to the owner or operator's data system(s), only the CDR. 16 The owner or operator's authorized representative must be able to access and input data 17 in the data system(s) record for that source. That access is not required to be at any time from any location. 18 **(8)** The owner or operator shall contemporaneously track each monitoring event, and shall 19 comply with the following: 20 data gathered during each monitoring or testing event shall be uploaded into the 21 data system as soon as practicable, but no later than three business days of each compliance event, and when the 22 final reports are received; certain sections of this Part require a date and time stamp, including a GPS 23 24 display of the location, for certain monitoring events. No later than one year from the effective date of this Part, the 25 department shall finalize a list of approved technologies to comply with date and time stamp requirements, and shall 26 post the approved list on its website. Owners and operators shall comply with this requirement using an approved 27 technology no later than two years from the effective date of this Part. Prior to such time, owners and operators may 28 comply with this requirement by making a written or electronic record of the date and time of any affected 29 monitoring event; and 30 data required by this Part shall be maintained in the data system(s) for at least 31 five years. 32 **(9)** The department for good cause may request that an owner or operator retain a third party 33 at their own expense to verify any data or information collected, reported, or recorded pursuant to this Part, and 34 make recommendations to correct or improve the collection of data or information. Such requests may be made no 35 more than once per year. The owner or operator shall submit a report of the verification and any recommendations 36 made by the third party to the department by a date specified and implement the recommendations in the manner 37 approved by the department. The owner or operator may request a hearing on whether good cause was demonstrated 38 or whether the recommendations approved by the department must be implemented. 39 Where Part 50 refers to applicable federal standards or requirements, the references are to 40 the applicable federal standards or requirements that were in effect at the time of the effective date of this Part, 41 unless the applicable federal standards or requirements have been superseded by more stringent federal standards or 42 requirements. 43 Prior to modifying an existing source, including but not limited to increasing a source's 44 throughput or emissions, the owner or operator shall determine the applicability of this Part in accordance with 45 20.2.50.111.B NMAC. 46 В. Monitoring requirements: In addition to any monitoring requirements specified in the applicable 47 sections of this Part, owners and operators shall comply with the following: 48 Unless otherwise specified, the term monitoring as used in this Part includes, but is not 49 limited to, monitoring, testing, or inspection requirements. 50 If equipment is shut down at the time of periodic testing, monitoring, or inspection required under this Part, the owner or operator shall not be required to restart the unit for the sole purpose of 51 52 performing the testing, monitoring, or inspection, but shall note the shut down in the records kept for that equipment 53 for that monitoring event. 54 C. Recordkeeping requirements: In addition to any recordkeeping requirements specified in the 55 applicable sections of this Part, owners and operators shall comply with the following:

Within three business days of a monitoring event and when final reports are received, an

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electronic record shall be made of the monitoring event and shall include the information required by the applicable sections of this Part.

(2) The owner or operator shall keep an electronic record required by this Part for five years.

(3) By July 1 of each calendar year starting in 2024, the owner or operator shall generate a Compliance Database Report (CDR) on all assets under its control that are subject to the CDR requirements of this Part at the time the CDR is prepared and keep this report on file for five years.

D. Reporting requirements: In addition to any reporting requirements specified in the applicable sections in this Part, the owner or operator shall respond within three business days to a request for information by the department under this Part. The response shall provide the requested information for each source subject to the request by electronically submitting a CDR to the department's Secure Extranet Portal (SEP), or by other means and formats specified by the department in its request. If the department requests a CDR from multiple facilities, additional time will be given as appropriate.

[20.2.50.112 NMAC - N, XX/XX/2021]

20.2.50.113 ENGINES AND TURBINES:

 A. Applicability: Portable and stationary natural gas-fired spark ignition engines, compression ignition engines, and natural gas-fired combustion turbines located at well sites, tank batteries, gathering and boosting stations, natural gas processing plants, and transmission compressor stations, with a rated horsepower greater than the horsepower ratings of table 1, 2, and 3 of 20.2.50.113 NMAC are subject to the requirements of 20.2.50.113 NMAC. Non-road engines as defined in 40 C.F.R. §§ 1068.30 are not subject to 20.2.50.113 NMAC.

B. Emission standards:

 (1) The owner or operator of a portable or stationary natural gas-fired spark ignition engine, compression ignition engine, or natural gas-fired combustion turbine shall ensure compliance with the emission standards by the dates specified in Subsection B of 20.2.50.113 NMAC, except as otherwise specified under an Alternative Compliance Plan approved pursuant to Paragraph (10) of Subsection B of 20.2.50.113 NMAC or alternative emissions standards approved pursuant to Paragraph (11) of Subsection B of 20.2.50.113 NMAC.

(2) The owner or operator of an existing natural gas-fired spark ignition engine shall complete an inventory of all existing engines subject to this Part by January 1, 2023, and shall prepare a schedule to ensure that each existing engine does not exceed the emission standards in table 1 of Paragraph (2) of Subsection B of 20.2.50.113 NMAC as follows, except as otherwise specified under an Alternative Compliance Plan (ACP) approved pursuant to Paragraph (10) of Subsection B of 20.2.50.113 NMAC or alternative emissions standards approved pursuant to Paragraph (11) of Subsection B of 20.2.50.113 NMAC:

(a) by January 1, 2025, the owner or operator shall ensure at least thirty percent of the company's existing engines meet the emission standards.

(b) by January 1, 2027, the owner or operator shall ensure at least an additional thirty-five percent of the company's existing engines meet the emission standards.

 (c) by January 1, 2029, the owner or operator shall ensure that the remaining thirty-five percent of the company's existing engines meet the emission standards.

(d) in lieu of meeting the emission standards for an existing natural gas-fired spark

 ignition engine, an owner or operator may reduce the annual hours of operation of an engine such that the annual PTE of NOx and VOC emissions are reduced to achieve an equivalent allowable ton per year emission reduction as set forth in table 1 of Paragraph (2) of Subsection B of 20.2.50.113 NMAC, or by at least ninety-five percent per

Table 1 - EMISSION STANDARDS FOR EXISTING NATURAL GAS-FIRED SPARK IGNITION ENGINES

Engine Type	Rated bhp	NO_x	СО	NMNEHC (as propane)
2 Stroke Lean Burn	>1,000	3.0 g/bhp-hr	0.60 g/bhp-hr	0.70 g/bhp-hr
4-Stroke Lean Burn	>1,000 bhp and <1,775 bhp	2.0 g/bhp-hr	0.60 g/bhp-hr	0.70 g/bhp-hr
4-Stroke Lean Burn	≥1,775 bhp	0.5 g/bhp-hr	0.60 g/bhp-hr	0.70 g/bhp-hr
Rich Burn	>1,000 bhp	0.5 g/bhp-hr	0.60 g/bhp-hr	0.70 g/bhp-hr

(3) The owner or operator of a new natural gas-fired spark ignition engine shall ensure the engine does not exceed the emission standards in table 2 of Paragraph (3) of Subsection B of 20.2.50.113 NMAC

upon startup.

Table 2 - EMISSION STANDARDS FOR NEW NATURAL GAS-FIRED SPARK IGNITION ENGINES

Engine Type	Rated bhp	NO_x	СО	NMNEHC (as propane)
Lean-burn	> 500 and < 1875	0.50 g/bhp-hr	0.60 g/bhp-hr	0.70 g/bhp-hr
Lean-burn	≥ 1875	0.30 g/bhp-hr	0.60 g/bhp-hr	0.70 g/bhp-hr
Rich-burn	>500	0.50 g/bhp-hr	0.60 g/bhp-hr	0.70 g/bhp-hr

(4) The owner or operator of a natural gas-fired spark ignition engine with NO_x emission control technology that uses ammonia or urea as a reagent shall ensure that the exhaust ammonia slip is limited to 10 ppmvd or less, corrected to fifteen percent oxygen.

(5) The owner or operator of a compression ignition engine shall ensure compliance with the following emission standards:

(a) a new portable or stationary compression ignition engine with a maximum design power output equal to or greater than 500 horsepower that is not subject to the emission standards under Subparagraph (b) of Paragraph (5) of Subsection B of 20.2.50.113 NMAC shall limit NO_x emissions to not more than nine g/bhp-hr upon startup.

(b) a stationary compression ignition engine that is subject to and complying with Subpart IIII of 40 CFR Part 60, Standards of Performance for Stationary Compression Ignition Internal Combustion Engines, is not subject to the requirements of Subparagraph (a) of Paragraph (5) of Subsection B of 20.2.50.113 NMAC.

(6) The owner or operator of a portable or stationary compression ignition engine with NO_x emission control technology that uses ammonia or urea as a reagent shall ensure that the exhaust ammonia slip is limited to 10 ppmvd or less, corrected to fifteen percent oxygen.

(7) The owner or operator of a stationary natural gas-fired combustion turbine with a maximum design rating equal to or greater than 1,000 bhp shall comply with the applicable emission standards for an existing, new, or reconstructed turbine listed in table 3 of Paragraph (7) of Subsection B of 20.2.50.113 NMAC.

(a) The owner or operator of an existing stationary natural gas-fired combustion turbine shall complete an inventory of all existing turbines subject to Part 50 by July 1, 2023, and shall prepare a schedule to ensure that each subject existing turbine does not exceed the emission standards in table 3 of Paragraph (7) of Subsection B of 20.2.50.113 NMAC as follows, except as otherwise specified under an Alternative Compliance Plan approved pursuant to Paragraph (10) of Subsection B of 20.2.50.113 NMAC or alternative emissions standards approved pursuant to Paragraph (11) of Subsection B of 20.2.50.113 NMAC:

(i) by January 1, 2024, the owner or operator shall ensure at least thirty percent of the company's existing turbines meet the emission standards.

(ii) by January 1, 2026, the owner or operator shall ensure at least an additional thirty-five percent of the company's existing turbines meet the emission standards.

(iii) by January 1, 2028, the owner or operator shall ensure that the remaining thirty-five percent of the company's existing turbines meet the emission standards.

(iv) in lieu of meeting the emission standards for an existing stationary natural gas-fired combustion turbine, an owner or operator may reduce the annual hours of operation of a turbine such that the annual PTE of NOx and VOC emissions are reduced to achieve an equivalent allowable ton per year emission reduction as set forth in table 3 of Paragraph (7) of Subsection B of 20.2.50.113 NMAC, or by at least ninety-five percent per year.

Table 3 - EMISSION STANDARDS FOR STATIONARY COMBUSTION TURBINES

For each applicable existing natural gas-fired combustion turbine, the owner or operator shall ensure the turbine does not exceed the following emission standards no later than the schedule set forth in Paragraph (7)(a) of Subsection B of 20.2.50.113 NMAC:

Turbine Rating (bhp)	NO _x (ppmvd @15% O ₂)		NMNEHC (as propane, ppmvd @15% O ₂)
≥1,000 and <4,100	150	50	9

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≥4,100 and <15,000	50	50	9	
≥15,000	50	50 or 93% reduction	5 or 50% reduction	
For each applicable new natural gas-fired combustion turbine, the owner or operator shall ensure the turbine does not exceed the following emission standards upon startup:				
Turbine Rating (bhp)	NO _x (ppmvd @15% O ₂)	CO (ppmvd @ 15% O ₂)	NMNEHC (as propane, ppmvd @15% O ₂)	
$\geq 1,000 \text{ and } < 4,000$	100	25	9	
≥4,000 and <15,900	15	10	9	
≥15,900 9.0 Uncontrolled or 2.0 with Control 1.8 with Control 5				
(8) The owner or operator of a stationary natural gas-fired combustion turbine with NO _x emission control technology that uses ammonia or urea as a reagent shall ensure that the exhaust ammonia slip is				

limited to 10 ppmvd or less, corrected to fifteen percent oxygen.

The owner or operator of an emergency use engine as defined by 40 C.F.R. §§ 60.4211, 60.4243, or 63.6675 is not subject to the emissions standards in this Part but shall be equipped with a non-resettable hour meter to monitor and record any hours of operation.

In lieu of complying with the emission standards for individual engines and turbines established in Subsection B of 20.2.50.113 NMAC, an owner or operator may elect to comply with the emission standards through an Alternative Compliance Plan (ACP) approved by the department. An ACP must include the list of engines or turbines subject to the ACP, and a demonstration that the total allowable emissions for the engines or turbines subject to the ACP will not exceed the total allowable emissions under the emission standards of this Part. Prior to submitting a proposed ACP to the Department, the owner or operator shall comply with the following requirements in the order listed:

The owner or operator shall contract with an independent third-party (a) engineering or consulting firm to conduct a technical and regulatory review of the ACP proposal. The selected firm shall review the proposal to determine if it meets the requirements of this Part, and shall prepare and certify an evaluation of the proposed ACP indicting whether the ACP proposal adheres to the requirements of this Part.

Following the independent third-party review, the owner or operator shall provide the ACP, along with the third-party evaluation and findings, to the department for posting on the department's website. The department shall post the ACP and the third-party review within 15 days of receipt.

Following posting by the department, the owner or operator shall publish a (c) notice in a newspaper of general circulation announcing the ACP proposal, the dates it will be available for review and comment by the public, and information on how and where to submit comments. The dates specified in the public notice must provide for a thirty-day comment period.

Following the close of the thirty-day notice and comment period, the department (d) shall send the comments submitted on the ACP proposal and findings to the owner or operator. The owner or operator shall provide written responses to all comments to the department.

Following receipt of the owner or operator's responses to comments received during the thirty-day comment period, the department shall make a determination whether to approve or deny the ACP proposal within 90 days. The department shall approve an ACP that meets the requirements of this Part, unless the department determines that the total allowable emissions under the ACP exceed the total allowable emissions under the emission standards of 20.2.50.113 NMAC. If approved by the department, the emission reductions and associated emission limits for the affected engines or turbines shall become enforceable terms under this Part.

The owner or operator may submit a request for alternative emission standards for a specific engine or turbine based on technical impracticability or economic infeasibility. The owner or operator is not required to submit an ACP proposal under Paragraph (10) of Subsection B of 20.2.50.113 NMAC prior to submission of a request for alternative emissions standards under this Paragraph (11), provided that the owner or operator satisfies Subparagraph (b) of Paragraph (11) of Subsection B of 20.2.50.113 NMAC, below. To qualify for an alternative emission standard, an owner or operator must comply with the following requirements:

prepare a reasonable demonstration detailing why it is not technically practicable or economically feasible for the individual engine or turbine to achieve the emissions standards in table 1

1 of Paragraph (2) of Subsection B of 20.2.50.113 NMAC or table 3 of Paragraph (7) of Subsection B of 20.2.50.113 2 NMAC, as applicable: 3 prepare a demonstration detailing why emissions from the individual engine or 4 turbine cannot be addressed through an ACP in a technically practicable or economically feasible manner; 5 prepare a technical analysis for the affected engine or turbine specifying the 6 emission reductions that can be achieved through other means, such as combustion modifications or capacity 7 limitations. The technical analysis shall include an analysis of any previous modifications of the source and a 8 determination whether such modifications meet the definition of a reconstructed source, such that the source should 9 be considered a new source under federal regulations. The analysis shall include a certification that the 10 modifications to the source are not in violation of any state or federal air quality regulation; and 11 fulfill the requirements of Subparagraphs (a) through (c) of Paragraph (10) of (d) 12 Subsection B of 20.2.50.113 NMAC. 13 Following the close of the thirty-day notice and comment period, the department 14 shall send the comments submitted on the alternative emission standards and findings to the owner or operator. The 15 owner or operator shall provide written responses to all comments to the department. 16 Following receipt of the owner or operator's responses to comments received 17 during the thirty-day comment period, the department shall make a determination whether to approve or deny the alternative emission standards within 90 days. If approved by the department, the emission reductions and 18 19 alternative emission standards for the affected engine or turbine shall become enforceable terms under this Part. 20 If approved by the department, the emissions reductions and alternative **(g)** 21 standards for the affected engine or turbine shall become enforceable terms under this Part. 22 A short-term replacement engine may be substituted for any engine subject to Section 23 20.2.50.113 NMAC consistent with any applicable air quality permit containing allowances for short term 24 replacement engines, including but not limited to New Source Review and General Construction Permits issued 25 under 20.2.72 NMAC. A short-term replacement engine is not considered a "new" engine for purposes of this Part 26 unless the engine it replaces is a "new" engine within the meaning of this Part. The reinstallation of the existing 27 engine following removal of the short-term replacement engine is not considered a "new" engine under this Part 28 unless the engine was "new" prior to the temporary replacement. 29 **Monitoring requirements:** C. 30 Maintenance and repair for a spark ignition engine, compression ignition engine, and 31 stationary combustion turbine shall meet the manufacturer recommended maintenance schedule as defined in 32 20.2.50.112 NMAC. 33 Maintenance conducted consistent with an applicable NSPS or NESHAP requirement 34 shall be deemed to be in compliance with 20.2.50.113.C(1) NMAC. 35 Catalytic converters (oxidative, selective, and non-selective) and AFR controllers shall be 36 inspected and maintained according to manufacturer specifications as defined in 20,2,50,112 NMAC, and shall 37 include replacement of oxygen sensors as necessary for oxygen-based controllers. During periods of catalytic 38 converter or AFR controller maintenance, the owner or operator shall shut down the engine or turbine until the catalytic converter or AFR controller can be replaced with a functionally equivalent spare to allow the engine or 39 40 turbine to return to operation. 41 For equipment operated for 500 hours per year or more, compliance with the emission (4) 42 standards in Subsection B of 20.2.50.113 NMAC shall be demonstrated within 180 days of the effective date 43 applicable to the source as defined by Subsection B(2) and (7) or, if installed more than 180 days after the effective 44 date, within 60 days after achieving the maximum production rate at which the source will be operated, but not later 45 than 180 days after initial startup of such source. Compliance with the applicable emission standards shall be 46 demonstrated by performing an initial emission test for NOx and VOC, as defined in 40 CFR 51.100(s) using U.S. 47 EPA reference methods or ASTM D6348. Periodic monitoring shall be conducted annually to demonstrate 48 compliance with the allowable emission standards and may be demonstrated utilizing a portable analyzer or EPA 49 reference methods. For units with g/hp-hr emission standards, the engine load shall be calculated using the 50 following equations: 51 Load (Hp) = $\frac{\text{Fuel consumption (scf/hr) x Measured fuel heating value (LHV btu/scf)}}{\text{Manufacturer's rated BSFC (btu/bhp-hr) at 100% load or best efficiency}}$ 52

Load (Hp) = $\frac{\text{Fuel consumption (gal/hr) x Measured fuel heating value (LHV btu/gal)}}{\text{Manufacturer's rated BSFC (btu/bhp-hr) at 100% load or best efficiency}}$

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1 2	Where: LVH = lower heating value, btu/scf, or btu/gal, as appropriate; and
3	BSFC = brake specific fuel consumption
4	BST C STURE SPECIAL TUES COMMUNICATION
5	If the manufacturer's rated BSFC is not available, an operator may use an alternative load calculation methodology based on available data.
7	(a) emissions testing shall be conducted within 10 percent of 100 percent peak (or
8	the highest achievable) load. The load and the parameters used to calculate it shall be recorded to document
9	operating conditions at the time of testing and shall be included with the test report.
10	(b) emissions testing utilizing a portable analyzer shall be conducted in accordance
11	with the requirements of the current version of ASTM D6522. If a portable analyzer has met a previously approved
12	department criterion, the analyzer may be operated in accordance with that criterion until it is replaced.
13	(c) the default time period for a test run shall be at least 20 minutes.
14	(d) an emissions test shall consist of three separate runs, with the arithmetic mean of
15	the results from the three runs used to determine compliance with the applicable emission standard.
16	(e) during emissions tests, pollutant and diluent concentration shall be monitored
17	and recorded. Fuel flow rate shall be monitored and recorded if stack gas flow rate is determined utilizing U.S. EPA
18	reference method 19. This information shall be included with the periodic test report.
19	stack gas flow rate shall be calculated in accordance with U.S. EPA reference
20	method 19 utilizing fuel flow rate (scf) determined by a dedicated fuel flow meter and fuel heating value (Btu/scf).
21	The owner or operator shall provide a contemporaneous fuel gas analysis (preferably on the day of the test, but no
22	earlier than three months before the test date) and a recent fuel flow meter calibration certificate (within the most
23 24	recent quarter) with the final test report. Alternatively, stack gas flow rate may be determined by using U.S. EPA
2 4 25	reference methods 1 through 4 or through the use of manufacturer provided fuel consumption rates. (g) upon request by the department, an owner or operator shall submit a notification
25 26	(g) upon request by the department, an owner or operator shall submit a notification and protocol for an initial or annual emissions test.
27 27	(h) emissions testing shall be conducted at least once per calendar year. Emission
28	testing required by Subparts GG, IIII, JJJJ, or KKKK of 40 CFR 60, or Subpart ZZZZ of 40 CFR 63, may be used to
29	satisfy the emissions testing requirements if it meets the requirements of 20.2.50.113 NMAC and is completed at
30	least once per calendar year.
31	(i) The results of emissions testing demonstrating compliance with the emission
32	standard for CO may be used as a surrogate to demonstrate compliance with the emission standard for NMNEHC.
33	The owner or operator of equipment operated less than 500 hours per year shall monitor
34	the hours of operation using a non-resettable hour meter and shall test the unit at least once per 8760 hours of
35	operation in accordance with the emissions testing requirements in Paragraph (4) of Subsection C of 20.2.50.113
36	NMAC.
37	(6) An owner or operator of an emergency use engine as defined by 40 C.F.R. §§ 60.4211,
38	60.4243, or 63.6675 shall monitor the hours of operation by a non-resettable hour meter.
39	(7) An owner or operator limiting the annual operating hours of an engine or turbine to meet
40	the requirements of Paragraph (2) or (7) of Subsection B of 20.2.50.113 NMAC shall monitor the hours of operation
41	by a non-resettable hour meter.
42	(8) Prior to any monitoring, testing, inspection, or maintenance of an engine or turbine, the
43	owner or operator shall date and time stamp the event, and the monitoring data entry shall be made in accordance
44 4.5	with the requirements of 20.2.50.112 and 113 NMAC.
45	D. Recordkeeping requirements:
46 47	(1) The owner or operator of a spark ignition engine, compression ignition engine, or
47 40	stationary combustion turbine shall maintain a record in accordance with 20.2.50.112 NMAC for the engine or turbine. The record shall include:
48 40	
49 50	(a) the make, model, serial number, and unique identification number for the engine or turbine;
51	(b) location of the source (latitude and longitude);
52	(c) a copy of the engine, turbine, or control device manufacturer recommended
53	maintenance and repair schedule as defined in 20.2.50.112 NMAC; and
54	(d) all inspection, maintenance, or repair activity on the engine, turbine, and control
55	device, including:
56	(i) the date and time stamp(s), including GPS of the location, of an

1	inspection, maintenance, or repair;
2	(ii) the date a subsequent analysis was performed (if applicable);
3	(iii) the name of the person(s) conducting the inspection, maintenance or
4	repair;
5	(iv) a description of the physical condition of the equipment as found
6	during the inspection;
7	(v) a description of maintenance or repair conducted; and
8	(vi) the results of the inspection and any required corrective actions.
9	(2) The owner or operator of a spark ignition engine, compression ignition engine, or
10	stationary combustion turbine shall maintain records of initial and annual emissions testing for the engine or turbine
11	for a period of five years. The records shall include:
12	(a) make, model, and serial number for the tested engine or turbine; the data and time stamp(s), including CRS of the leasting of any manitoring.
13	(b) the date and time stamp(s), including GPS of the location, of any monitoring
14 15	event, including sampling or measurements; (c) date analyses were performed;
16	
17	
18	(e) analytical or test methods used;(f) results of analyses or tests;
19	
20	(g) calculated emissions of NOx and VOC in lb/hr and tpy; and(h) operating conditions at the time of sampling or measurement.
21	(a) The owner or operator of an emergency use engine as defined by 40 C.F.R. §§ 60.4211,
22	60.4243, or 63.6675 shall record the total annual hours of operation as recorded by the non-resettable hour meter.
23	(4) The owner or operator limiting the annual operating hours of an engine or turbine to mee
24	the requirements of Paragraph (2) or (7) of Subsection B of 20.2.50.113 NMAC shall record the hours of operation
25	by a non-resettable hour meter. The owner or operator shall calculate and record the annual NOx and VOC emission
26	calculation, based on the engine or turbine's actual hours of operation, to demonstrate that an equivalent allowable
27	ton per year emission reduction as set forth in table 1 or table 3 of Paragraph (2) or (7) of Subsection B of
28	20.2.50.113 NMAC, or the ninety-five percent emission reduction requirement is met.
29	E. Reporting requirements: The owner or operator shall comply with the reporting requirements in
30	20.2.50.112 NMAC.
31	[20.2.50.113 NM–C - N, XX/XX/2021]
32	
33	20.2.50.114 COMPRESSOR SEALS:
34	A. Applicability:
35	(1) Centrifugal compressors using wet seals and located at tank batteries, gathering and
36	boosting stations, and natural gas processing plants are subject to the requirements of 20.2.50.114 NMAC.
37	Centrifugal compressors located at well sites and transmission compressor stations are not subject to the
38	requirements of 20.2.50.114 NMAC.
39	(2) Reciprocating compressors located at tank batteries, gathering and boosting stations, and
40	natural gas processing plants are subject to the requirements of 20.2.50.114 NMAC. Reciprocating compressors
41	located at well sites and transmission compressor stations are not subject to the requirements of 20.2.50.114 NMAC
42	B. Emission standards:
43	(1) The owner or operator of an existing centrifugal compressor with wet seals shall control
44	VOC emissions from a centrifugal compressor wet seal fluid degassing system by at least ninety-five percent within
45	two years of the effective date of this Part. Emissions shall be captured and routed via a closed vent system to a
46	control device, recovery system, fuel cell, or a process stream.
47	(2) The owner or operator of an existing reciprocating compressor shall, either:
48	(a) replace the reciprocating compressor rod packing after every 26,000 hours of
49	compressor operation or every 36 months, whichever is reached later. The owner or operator shall begin counting
50	the hours of compressor operation toward the first replacement of the rod packing upon the effective date of this
51	Part; or
52	(b) beginning no later than two years from the effective date of this Part, collect
53	emissions from the rod packing, and route them via a closed vent system to a control device, recovery system, fuel
54	cell, or a process stream.
55	(3) The owner or operator of a new centrifugal compressor with wet seals shall control VOC
56	emissions from the centrifugal compressor wet seal fluid degassing system by at least ninety-five percent upon

20.2.50.115 CONTROL DEVICES AND CLOSED VENT SYSTEMS:

shall comply with the reporting requirements in 20.2.50.112 NMAC.

[20.2.50.114 NM-C - N, XX/XX/2021]

53

54

 A. Applicability: These requirements apply to control devices and closed vent systems as defined in 20.2.50.7 NMAC and used to comply with the emission standards and emission reduction requirements in this Part.

B. General requirements:

- (1) Control devices used to demonstrate compliance with this Part shall be installed, operated, and maintained consistent with manufacturer specifications, and good engineering and maintenance practices.
- (2) Control devices shall be adequately designed and sized to achieve the control efficiency rates required by this Part and to handle the reasonably expected range of inlet VOC or NOx concentrations or volumes.
- (3) The owner or operator shall inspect control devices visually or consistent with applicable federally approved inspection methods at least monthly to identify defects, leaks, and releases, and to ensure proper operation. Prior to an inspection or monitoring event, the owner or operator shall date and time stamp the event, and the required monitoring data entry shall be made in accordance with this Part.
- (4) The owner or operator shall ensure that a control device used to comply with emission standards in this Part operates as a closed vent system that captures and routes VOC emissions to the control device, in order to minimize venting of unburnt gas to the atmosphere.
- (5) The owner or operator of a permanent closed vent system for a centrifugal compressor wet seal fluid degassing system, reciprocating compressor, natural gas driven pneumatic pump, or storage vessel or flowback vessel using a control device or routing emissions to a process shall:
- (a) ensure the control device or process is of sufficient design and capacity to accommodate the expected range of emissions from the affected sources;
- **(b)** conduct an assessment to confirm that the closed vent system is of sufficient design and capacity to ensure that emissions from the affected equipment are routed to the control device or process; and
- (c) have the assessment certified by a qualified professional engineer or an in-house engineer with expertise regarding the design and operation of closed vent system(s) in accordance with Paragraphs (c)(i) and (ii) of this Section.
- (i) The assessment of the closed vent system shall be prepared under the direction or supervision of a qualified professional engineer or an in-house engineer who signs the certification in Paragraph (c)(ii) of this Section.
- (ii) the owner or operator shall provide the following certification, signed and dated by a qualified professional engineer or an in-house engineer: "I certify that the closed vent system assessment was prepared under my direction or supervision. I further certify that the closed vent system assessment was conducted, and this report was prepared, pursuant to the requirements of this Part. Based on my professional knowledge and experience, and inquiry of personnel involved in the assessment, the certification submitted herein is true, accurate, and complete."
- (d) an owner or operator of an existing closed vent system shall comply with the requirements of Paragraph (5) of Subsection B of 20.2.50.115 NMAC within three years of the effective date of this Part and within 90 days of startup for a new closed vent system.
- (6) The owner or operator shall keep manufacturer specifications for all control devices on file. The information shall include the unique identification number, type of unit, manufacturer name, make, model, capacity, and destruction or reduction efficiency data.

C. Requirements for open flares:

- (1) Emission standards:
- (a) the flare shall be properly sized and designed to ensure proper combustion efficiency to combust the gas sent to the flare, and combustion shall be maintained for the duration of time that gas is sent to the flare. The owner or operator shall not send gas to the flare in excess of the manufacturer maximum rated capacity.
- (b) the owner or operator shall equip each new and existing flare (except those flares required to meet the requirements of Paragraph (c) of this Subsection) with a continuous pilot flame, an operational auto-igniter, or require manual ignition, and shall comply with the following no later than one year after the effective date of this part, unless otherwise specified:
- (i) a flare with a continuous pilot flame or an auto-igniter shall be equipped with a system to ensure the flare is operated with a flame present at all times when gas is being sent to the flare.
 - (ii) the owner or operator of a flare with manual ignition shall inspect and

1	ensure a flame is present upon initiating a flaring event.
2	(iii) a new flare controlling a continuous gas stream shall be equipped with
3	a continuous pilot flame upon startup.
4	(iv) an existing flare controlling a continuous gas stream shall be equipped
5	with a continuous pilot.
6	(c) an existing flare located at a site with an annual average daily production of
7	equal to or less than 10 barrels of oil per day or an average daily production of 60,000 standard cubic feet of natural
8	gas shall be equipped with an auto-ignitor, continuous pilot, or technology (e.g. alarm) that alerts the owner or
9	operator of a flare malfunction, if replaced or reconstructed after the effective date of this Part.
10	(d) the owner or operator shall operate a flare with no visible emissions, except for
11	periods not to exceed a total of 30 seconds during any 15 consecutive minutes. The flare shall be designed so that an
12	observer can, by means of visual observation from the outside of the flare or by other means such as a continuous
13	monitoring device, determine whether it is operating properly. The observation may be terminated if visible
14	emissions are observed and recorded and action is taken to address the visible emissions.
15	(e) the owner or operator shall repair the flare within three business days of any
16	thermocouple or other flame detection device alarm activation.
17	(2) Monitoring requirements:
18	(a) the owner or operator of a flare with a continuous pilot or auto-igniter shall
19	continuously monitor the presence of a pilot flame, or presence of flame during flaring if using an auto-igniter, using
20	a thermocouple equipped with a continuous recorder and alarm to detect the presence of a flame. An alternative
21	equivalent technology alerting the owner or operator of failure of ignition of the gas stream may be used in lieu of a
22	continuous recorder and alarm, if approved by the department;
23	(b) the owner or operator of a manually ignited flare shall monitor the presence of a
24	flame using continuous visual observation during a flaring event;
25	(c) the owner or operator shall, at least quarterly, and upon observing visible
26	emissions, perform a U.S. EPA method 22 observation while the flare pilot or auto-igniter flame is present to certify
27	compliance with visible emission requirements. The observation period shall be a minimum of 15 consecutive
28	minutes. The observation may be terminated if visible emissions are observed and recorded and action is taken to
29	address the visible emissions;
30	(d) prior to an inspection or monitoring event, the owner or operator shall date and
31	time stamp the event, and the required monitoring data entry shall be made in accordance with this Part; and
32	(e) the owner or operator shall monitor the technology that alerts the owner or
33	operator of a flare malfunction and any instances of technology or alarm activation.
34	(3) Recordkeeping requirements: The owner or operator of an open flare shall keep a record
35	of the following:
36 37	(a) any instance of thermocouple or other approved technology or flame detection
38	device alarm activation, including the date and cause of alarm activation, action taken to bring the flare into a
39	normal operating condition, the name of the person(s) conducting the inspection, and any maintenance activity performed;
40	(b) the results of the U.S. EPA method 22 observations;
41	(c) the monitoring of the presence of a flame on a manual flare during a flaring
42	event as required under Subparagraph (b) of Paragraph (2) of Subsection C of 20.2.50.115 NMAC;
43	(d) the results of the most recent gas analysis for the gas being flared, including
44	VOC content and heating value; and
45	(e) the data and time stamp(s), including GPS of the location, of any monitoring
46	event.
47	(4) Reporting requirements: The owner or operator shall comply with the reporting
48	requirements in 20.2.50.112 NMAC.
49	D. Requirements for enclosed combustion devices (ECD) and thermal oxidizers (TO):
50	(1) Emission standards:
51	(a) the ECD/TO shall be properly sized and designed to ensure proper combustion
52	efficiency to combust the gas sent to the ECD/TO. The owner or operator shall not send gas to the ECD/TO in
53	excess of the manufacturer maximum rated capacity.
54	(b) the owner or operator shall equip each new ECD/TO with a continuous pilot
55	flame or an auto-igniter upon startup. Existing ECD/TO shall be equipped with a continuous pilot flame or an auto-
56	igniter no later than two years after the effective date of this Part.

and time stamp the event, and the required monitoring data entry shall be made in accordance with the requirements

Recordkeeping requirements: For a VRU inspection or monitoring event, the owner or

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of this Part.

(3)

 operator shall record the result of the event, including the name of the person(s) conducting the inspection, any maintenance or repair activities required, and the date and time stamp(s), including GPS of the location, of any monitoring event. The owner or operator shall record the type of redundant control device used during VRU downtime, or keep records of the source shut down and isolated and the time period during which it was shut down, or records of compliance with an air permit issued prior to the effective date of this Part.

- (4) Reporting requirements: The owner or operator shall comply with the reporting requirements in 20.2.50.112 NMAC.
- **F.** Recordkeeping requirements: The owner or operator of a control device or closed vent system shall maintain a record of the following:
- the certification of the closed vent system assessment, where applicable, and as required by this Part; and
 - (2) the information required in Paragraph (6) of Subsection B of 20.2.50.115 NMAC.
- **G.** Reporting requirements: The owner or operator shall comply with the reporting requirements in 20.2.50.112 NMAC.
- [20.2.50.115 NM-C N, XX/XX/2021]

20.2.50.116 EQUIPMENT LEAKS AND FUGITIVE EMISSIONS:

- A. Applicability: Well sites, tank batteries, gathering and boosting stations, natural gas processing plants, transmission compressor stations, and associated piping and components are subject to the requirements of 20.2.50.116 NMAC. Components in water or air service are not subject to the requirements of 20.2.50.116 NMAC. The requirements of this Part may be considered in the facility-wide PTE and in determining the monitoring frequency requirements of this Section.
- **B.** Emission standards: The owner or operator of oil and gas production and processing equipment located at well sites, tank batteries, gathering and boosting stations, natural gas processing plants, or transmission compressor stations shall demonstrate compliance with this Part by performing the monitoring, recordkeeping, and reporting requirements specified in 20.2.50.116 NMAC. Tank batteries supporting multiple facilities are subject to the requirements for the most stringently regulated facility of which they are a part.
- **C. Default Monitoring requirements:** Owners and operators shall comply with the following monitoring requirements:
- (1) The owner or operator of a facility with an annual average daily production or average daily throughput of greater than 10 barrels of oil per day or an average daily production of greater than 60,000 standard cubic feet per day of natural gas shall, at least weekly, conduct an external audio, visual, and olfactory (AVO) inspections of thief hatches, closed vent systems, pumps, compressors, pressure relief devices, open-ended valves or lines, valves, flanges, connectors, piping, and associated equipment to identify defects and leaking components as follows:
- (a) conduct an external visual inspection for defects, which may include cracks, holes, or gaps in piping or covers; loose connections; liquid leaks; broken or missing caps; broken, cracked or otherwise damaged seals or gaskets; broken or missing hatches; or broken or open access covers or other closure or bypass devices;
 - (b) conduct an audio inspection for pressure leaks and liquid leaks;
 - (c) conduct an olfactory inspection for unusual or strong odors; and
 - (d) any positive detection during the AVO inspection shall be repaired in

accordance with Subsection E if not repaired at the time of discovery.

- (2) The owner or operator of a facility with an annual average daily production or average daily throughput of equal to or less than 10 barrels of oil per day or an average daily production of equal to or less than 60,000 standard cubic feet per day of natural gas shall, at least monthly, conduct an external audio, visual, and olfactory (AVO) inspection of thief hatches, closed vent systems, pumps, compressors, pressure relief devices, openended valves or lines, valves, flanges, connectors, piping, and associated equipment to identify defects and leaking components as specified in Subparagraphs (a) through (d) of Paragraph (1) of Subsection (C) of 20.2.50.116 NMAC.
- (3) The owner or operator of the following facilities shall conduct an inspection using U.S. EPA method 21 or optical gas imaging (OGI) of thief hatches, closed vent systems, pumps, compressors, pressure relief devices, open-ended valves or lines, valves, flanges, connectors, piping, and associated equipment to identify leaking components at a frequency determined according to the following schedules, and upon request by the department for good cause shown:
 - (a) for existing well sites and standalone tank batteries, the owner or operator shall

1	comply with these requirements no late	er than two years from the effective date of this Part.
2	(b) for	well sites and standalone tank batteries:
3	(i)	annually at facilities with a PTE less than two tpy VOC;
4	(ii)	
5	and less than five tpy VOC; and	
6	(iii	quarterly at facilities with a PTE equal to or greater than five tpy VOC.
7		gathering and boosting stations and natural gas processing plants:
8	(i)	quarterly at facilities with a PTE less than 25 tpy VOC; and
9	(ii)	
10		transmission compressor stations, quarterly or in compliance with the federal
11		monitoring requirements of New Source Performance Standards, 40 C.F.R.
12		the federal equipment leak and fugitive emissions monitoring requirements are
13		Performance Standards OOOOa, 40 CFR Part 60, in existence as of the
14	effective date of this Part.	refrontiance standards 0000a, 40 Cr K r art 00, in existence as of the
15		well sites within 1,000 feet of an occupied area:
16	* /	quarterly at facilities with a PTE less than 5 tpy VOC; and
17	(i) (ii)	
18		existing wellhead only facilities, annual inspections shall be completed on
19		y 1, 2024; 65% by January 1, 2025; and 100% by January 1, 2026.
20	<u> </u>	
21	(8)	inactive well sites: for well sites that are inactive on or before the effective date of this
22	(i)	
	Part, annually beginning within 6 mont	
23 24	(ii)	
	annually beginning 30 days after the si	
25		using U.S. EPA method 21 shall meet the following requirements:
26		instrument shall be calibrated before each day of use by the procedures
27	specified in U.S. EPA method 21 and t	
28		eak is detected if the instrument records a measurement of 500 ppm or greater
29		is not associated with normal equipment operation, such as pneumatic device
30	actuation and crank case ventilation.	
31		using OGI shall meet the following requirements:
32		instrument shall comply with the specifications, daily instrument checks, and
33		abparagraphs (1) through (3) of Paragraph (i) of 40 CFR 60.18; and
34		eak is detected if the emission images recorded by the OGI instrument are not
35		ration, such as pneumatic device actuation or crank case ventilation.
36		s that are difficult, unsafe, or inaccessible to monitor, as determined by the
37		o be inspected until it becomes feasible to do so:
38		ficult to monitor components are those that require elevating the monitoring
39	personnel more than two meters above	
40		safe to monitor components are those that cannot be monitored without
41		nmediate danger as a consequence of completing the monitoring; and
42		ccessible to monitor components are those that are buried, insulated, or
43		prevents access to the components by monitoring personnel.
44		operators of well sites subject to the requirements in Subparagraph (e) of
45		on 20.2.50.116 NMAC must conduct an evaluation to determine applicability
46	•	rell site, and within 90 days of the effective date of this Part for existing well
47	sites.	
48		r operator conducting an evaluation pursuant to Paragraph (7) of Subsection
49		measure the distance from the latitude and longitude of each well at a well
50	site to the following points for each typ	
51		property line for indoor or outdoor spaces associated with a school that
52	• •	curriculum or extracurricular activities and outdoor venues or recreation
53	areas;	
54		property line for outdoor venues or recreation areas, such as a playground,
55 56		r other similar place of outdoor public assembly;
	(c) the	location of a building or structure used as a place of residency by a person, a

1	family, or families; and
2	(d) the location of a commercial facility with five-thousand (5,000) or more spare
3	feet of building floor area that is operating and normally occupied during working hours.
4	(9) Injection well sites and temporarily abandoned well sites are not subject to the leak
5	survey requirements of Paragraphs (3) through (6) of Subsection C of 20.2.50.116 NMAC.
6	(10) Prior to any monitoring event, the owner or operator shall date and time stamp the
7	monitoring event.
8	D. Alternative equipment leak monitoring plans: An owner or operator may comply with the
9	equipment leak requirements of Subsection C of 20.2.50.116 NMAC through an equally effective and enforceable
10	alternative monitoring plan as follows:
11	(1) An owner or operator may comply with an individual alternative monitoring plan, subject
12	to the following requirements:
13	(a) <u>proposed alternative monitoring plans may utilize alternative monitoring</u>
14	methods.
15	(b) the proposed alternative monitoring plan shall be submitted to and approved by
16	the department prior to conducting monitoring under that plan.
17	(cb) the department may terminate an approved alternative monitoring plan if the
18	department finds that the owner or operator failed to comply with a provision of the plan and failed to correct and
19	disclose the violation to the department within 15 calendar days of identifying the violation.
20	(de) upon department denial or termination of an approved alternative monitoring
21	plan, the owner or operator shall comply with the default monitoring requirements of Subsection C of 20.2.50.116
22	NMAC within 15 days.
23	(2) An owner or operator may comply with a pre-approved monitoring plan maintained by
24	the department, subject to the following requirements:
25	(a) the owner or operator shall notify the department of the intent to conduct
26	monitoring under a pre-approved monitoring plan, and identify which pre-approved plan will be used, at least 15
27	days prior to conducting the first monitoring under that plan.
28	(b) the department may terminate the use of a pre-approved monitoring plan by the
29	owner or operator if the department finds that the owner or operator failed to comply with a provision of the plan
30	and failed to correct and disclose the violation to the department within 15 calendar days of identifying the violation.
31	(c) upon department denial or termination of an approved alternative monitoring
32	plan, the owner or operator shall comply with the default monitoring requirements of Subsection C of 20.2.50.116
33	NMAC within 15 days.
34	E. Repair requirements: For a leak detected pursuant to monitoring conducted under 20.2.50.116
35	NMAC:
36	(1) the owner or operator shall place a visible tag on the leaking component not otherwise
37	repaired at the time of discovery until the component has been repaired;
38	leaks shall be repaired as soon as practicable but no later than 30 days from discovery;
39	the equipment must be re-monitored no later than 15 days after the repair of the leak to
40	demonstrate that it has been repaired; and
41	(4) if the leak cannot be repaired within 30 days of discovery without a process unit
42	shutdown, the leak may be designated "Repair delayed," the date of the next scheduled unit shutdown must be
43	identified, and the leak must be repaired before the end of the scheduled process unit shutdown or within 2 years,
44	whichever is earlier.
45	(5) if the leak cannot be repaired within 30 days of discovery due to shortage of parts, the
46	leak may be designated "Repair delayed," and must be repaired within 15 days of resolution of such shortage.
47	F. Recordkeeping requirements:
48	(1) The owner or operator shall keep a record of the following for all AVO, RM 21, OGI, or
49 •••	alternative equipment leak monitoring inspections conducted as required under 20.2.50.116 NMAC, and shall
50	provide the record to the department upon request:
51	(a) facility location (latitude and longitude);
52	(b) time and date stamp, including GPS of the location, of any monitoring;
53	(c) monitoring method (e.g. AVO, RM 21, OGI, approved alternative method);
54 	(d) name of the person(s) performing the inspection;
55	(e) a description of any leak requiring repair or a note that no leak was found; and
56	(f) whether a visible tag was placed on the leak or not;

1		(2) The ov	ner or operator shall keep the following record for any leak that is detected:
2		(a)	the date the leak is detected;
3		(b)	the date of attempt to repair;
4		(c)	for a leak with a designation of "repair delayed" the following shall be recorded
5			(i) reason for delay if a leak is not repaired within the required number of
6	days after discov	ery. If a delay is	due to a parts shortage, a record documenting the attempt to order the parts and the
7	unavailability du	e to a shortage is	required;
8	•	C	(ii) the date of next scheduled process unit shutdown by which the repair
9	will be complete	d; and	
10	1	,	(iii) name of the person(s) who determined that the repair could not be
11	implemented wit	hout a process u	
12	promonou wro	(d)	date of successful leak repair;
13		(e)	date the leak was monitored after repair and the results of the monitoring; and
14		(f)	a description of the component that is designated as difficult, unsafe, or
15	inaccessible to m		ation stating why the component was so designated, and the schedule for repairing
16	and monitoring t		ation stating why the component was so designated, and the senedate for repairing
17	and monitoring t		eak detected using OGI, the owner or operator shall keep records of the
18	specifications th		t check, and the leak survey requirements specified at 40 CFR 60.18(i)(1)-(3).
19	specifications, in		where or operator shall comply with the record seeping requirements in $20.2.50.112$
	NMAC.	(4) The ov	ther of operator shall comply with the recordkeeping requirements in 20.2.30.112
20		D	·
21	G.	Reporting requ	
22	1 1 0 1		wner or operator shall certify the use of an alternative equipment leak monitoring
23	plan under Subse		0.116 NMAC to the department annually, if used.
24	371 C	(2) The ov	oner or operator shall comply with the reporting requirements in 20.2.50.112
25	NMAC.		700017
26	[20.2.50.116 NM	IAC - N, XX/XX	[2021]
27			
28	20.2.50.117		AS WELL LIQUID UNLOADING:
29	Α.		Liquid unloading operations resulting in the venting of natural gas at natural gas
30			nts of 20.2.50.117 NMAC. Liquid unloading operations that do not result in the
31			subject to this Part. Owners and operators of a natural gas well subject to this Part
32	must comply wit	h the standards s	et forth in Paragraph (1) of Subsection B of 20.2.50.117 NMAC within two years
33	of the effective d	ate of this Part.	
34	В.	Emission stand	ards:
35		(1) The ov	rner or operator of a natural gas well shall implement at least one of the following
36	best managemen	t practices during	the life of the well to avoid the need for venting of natural gas associated with
37	liquid unloading:		
38		(a)	use of a plunger lift;
39		(b)	use of artificial lift;
40		(c)	use of a control device;
41		(d)	use of an automated control system; or
42		(e)	other control if approved by the department
43			orner or operator of a natural gas well shall implement the following best
44	management pra		ing associated with liquid unloading to minimize emissions, consistent with well
45	site conditions ar		
46		(a)	reduce wellhead pressure before blowdown or venting to atmosphere;
47		(b)	monitor manual venting associated with liquid unloading in close proximity to
48	the well or via re	` '	
49	the went of via re	(c)	close vents to the atmosphere and return the well to normal production operation
50	as soon as practic		close vents to the atmosphere and return the wen to normal production operation
51	C.	Monitoring red	uirements:
52	С.		vner or operator shall monitor the following parameters during venting associated
53	with liquid unloa		not of operator shall monitor the following parameters during venting associated
55 54	with fiquid tilloa	-	wellhead pressure;
55		(a)	
55 56		(b)	flow rate of the vented natural gas (to the extent feasible); and
50		(c)	duration of venting to the storage vessel, tank battery, or atmosphere.

1			owner or operator shall calculate the volume and mass of VOC emitted during a
2	venting event as		liquid unloading event.
3		(3) The	owner or operator shall comply with the monitoring requirements of 20.2.50.112
4	NMAC.		
5	D.		ing requirements:
6			owner or operator shall keep the following records for liquid unloading:
7		(a)	unique identification number and location (latitude and longitude) of the well;
8		(b)	date of the unloading event;
9		(c)	wellhead pressure;
10		(d)	flow rate of the vented natural gas (to the extent feasible. If not feasible, the
11	owner or operat	or shall use the	estimated flow rate in the emission calculation);
12		(e)	duration of venting to the storage vessel, tank battery, or atmosphere;
13		(f)	a description of the management practice used to minimize venting of VOC
14	emissions befor	and during th	e liquid unloading;
15		(g)	the type of control device or control technique used to control VOC emissions
16	during venting a		the liquid unloading event; and
17	0 0	(h)	a calculation of the VOC emissions vented during a liquid unloading event
18	based on the du		ed volume, and composition of the produced gas.
19			owner or operator shall comply with the recordkeeping requirements in 20.2.50.112
20	NMAC.	()	
21	E.	Reporting re	equirements: The owner or operator shall comply with the reporting requirements in
22	20.2.50.112 NM		
23	[20.2.50.117 NI		XX/2021]
24	L	,	
25	20.2.50.118	GLYCOL D	EHYDRATORS:
26	Α.		y: Glycol dehydrators with a PTE equal to or greater than two tpy of VOC and
27	located at well s		ries, gathering and boosting stations, natural gas processing plants, and transmission
28			to the requirements of 20.2.50.118 NMAC.
29	В.	Emission sta	
30			sting glycol dehydrators with a PTE equal to or greater than two tpy of VOC shall
31	achieve a minin		capture and control efficiency of ninety-five percent of VOC emissions from the still
32			no later than two years after the effective date of this Part. If a combustion control
33			control device shall have a minimum design combustion efficiency of ninety-eight
34	percent.		
35	1	(2) Nev	glycol dehydrators with a PTE equal to or greater than two tpy of VOC shall
36	achieve a minin		capture and control efficiency of ninety-five percent of VOC emissions from the still
37			upon startup. If a combustion control device is used, the combustion control device
38			ombustion efficiency of ninety-eight percent.
39			owner or operator of a glycol dehydrator shall comply with the following
40	requirements:	(-)	
41	roquironionio.	(a)	still vent and flash tank emissions shall be routed at all times to the reboiler
42	firebox, conden		a control device, fuel cell, to a process point that either recycles or recompresses the
43			s as fuel, or to a VRU that reinjects the VOC emissions back into the process stream
44	or natural gas p		as facility of the at 1700 strain femigration and 1000 eliminations back into the process backain
45	or natural gas p	(b)	if a VRU is used, it shall consist of a closed loop system of seals, ducts, and a
46	compressor that		apor into the process or the natural gas pipeline. The VRU shall be operational at least
47			the facility is in operation, resulting in a minimum combined capture and control
48			at. The VRU shall be installed, operated, and maintained according to the
49	manufacturer's		
50	manaractarer 5	(c)	still vent and flash tank emissions shall not be vented directly to the atmosphere
51	during normal c		sum vent and mash tank emissions shan not be vented anothly to the aumosphere
52	zzzzzg norman c		wher or operator complying with the requirements in Subsection B of 20.2.50.118
53	NMAC through		I device shall comply with the requirements in 20.2.50.115 NMAC.
54	1 11/11 1C unrough		requirements of Subsection B of 20.2.50.118 NMAC cease to apply when the actual
55	annijal VOC em		new or existing glycol dehydrator are less than two tpy VOC.
56	C.		requirements:
	~•		engle in the second

- (1) The owner or operator of a glycol dehydrator shall conduct an annual extended gas analysis on the dehydrator inlet gas and calculate the uncontrolled and controlled VOC emissions in tpy.
- (2) The owner or operator of a glycol dehydrator shall inspect the glycol dehydrator, including the reboiler and regenerator, and the control device or process the emissions are being routed, semi-annually to ensure it is operating as initially designed and in accordance with the manufacturer recommended operation and maintenance schedule.
- (3) Prior to any monitoring event, the owner or operator shall date and time stamp the event, and the monitoring data entry shall be made in accordance with the requirements of this Part.
- (4) An owner or operator complying with the requirements in Subsection B of 20.2.50.118 NMAC through the use of a control device shall comply with the monitoring requirements in 20.2.50.115 NMAC.
 - Owners and operators shall comply with the monitoring requirements in 20.2.50.112

D. Recordkeeping requirements:

- (1) The owner or operator of a glycol dehydrator shall maintain a record of the following:
 - (a) unique identification number and dehydrator location (latitude and longitude);
 - (b) glycol circulation rate, monthly natural gas throughput, and the date of the most
- recent throughput measurement;

 (c) data and methodology used to estimate the PTE of VOC (must be a department approved calculation methodology);
 - (d) controlled and uncontrolled VOC emissions in tpy;
- (e) type, make, model, and unique identification number of the control device or process the emissions are being routed;
 - (f) time and date stamp, including GPS of the location, of any monitoring;
- (g) results of any equipment inspection, including maintenance or repair activities required to bring the glycol dehydrator into compliance; and
 - (h) a copy of the glycol dehydrator manufacturer specifications.
- (2) An owner or operator complying with the requirements in Paragraph (1) or (2) of Subsection B of 20.2.50.118 NMAC through use of a control device as defined in this Part shall comply with the recordkeeping requirements in 20.2.50.115 NMAC.
- (3) The owner or operator shall comply with the recordkeeping requirements in 20.2.50.112 NMAC.
- **E. Reporting requirements:** The owner or operator shall comply with the reporting requirements in 20.2.50.112 NMAC.

[20.2.50.118 NMAC - N, XX/XX/2021]

20.2.50.119 HEATERS:

A. Applicability: Natural gas-fired heaters with a rated heat input equal to or greater than 20 MMBtu/hour including heater treaters, heated flash separators, evaporator units, fractionation column heaters, and glycol dehydrator reboilers in use at well sites, tank batteries, gathering and boosting stations, natural gas processing plants, and transmission compressor stations are subject to the requirements of 20.2.50.119 NMAC.

B. Emission standards:

(1) Natural gas-fired heaters shall comply with the emission limits in table 1 of 20.2.50.119

43 NMAC.

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Table 1 - EMISSION STANDARDS FOR NO_x AND CO

Date of Construction:	NO _x (ppmvd @ 3% O ₂)	CO (ppmvd @ 3% O ₂)
Constructed or reconstructed before the effective date of 20.2.50 NMAC	30	400
Constructed or reconstructed on or after the effective date of 20.2.50 NMAC	30	400

(2) Existing natural gas-fired heaters shall comply with the requirements of 20.2.50.119 NMAC no later than three years after the effective date of this Part.

New natural gas-fired heaters shall comply with the requirements of 20.2.50.119 NMAC upon startup.

1	С.	Monito	ring requ	irements:
2		(1)	The own	ner or operator shall:
3			(a)	conduct emission testing for NOx and CO within 180 days of the compliance
4	date specified in	Paragrap	h (2) or (3	3) of Subsection B of 20.2.50.119 NMAC and at least every two years thereafter.
5			(b)	inspect, maintain, and repair the heater in accordance with the manufacturer
6	specifications at	least onc	e every tw	yo years following the applicable compliance date specified in 20.2.50.119
7	NMAC. The inst	pection, n	naintenan	ce, and repair shall include the following:
8	•			(i) inspecting the burner and cleaning or replacing components of the
9	burner as necessar	ary;		
10				(ii) inspecting the flame pattern and adjusting the burner as necessary to
11	optimize the flan	ne patterr	n consister	nt with the manufacturer specifications;
12				(iii) inspecting the AFR controller and ensuring it is calibrated and
13	functioning prop	erly, if pi	esent;	
14				(iv) optimizing total emissions of CO consistent with the NO _x requirement
15	and manufacture	r specific	ations, an	d good combustion practices; and
16				(v) measuring the concentrations in the effluent stream of CO in ppmvd
17				d after adjustments are made in accordance with Subparagraph (c) of Paragraph
18	(2) of Subsection	n C of 20.		
19		(2)	The own	ner or operator shall comply with the following periodic testing requirements:
20			(a)	conduct three test runs of at least 20-minutes duration within ten percent of one-
21	hundred percent	peak, or	the highes	st achievable, load;
22			(b)	determine NO _X and CO emissions and O ₂ concentrations in the exhaust with a
23				ned in accordance with the manufacturer specifications and following the
24	procedures speci	ified in th		version of ASTM D6522;
25				if the measured NO _X or CO emissions concentrations are exceeding the
26				50.119 NMAC, the owner or operator shall repeat the inspection and tune-up in
27) of Parag	graph (1)	of Subsection C of 20.2.50.119 NMAC within 30 days of the periodic testing;
28	and		(3)	
29			(d)	if at any time the heater is operated in excess of the highest achievable load in a
30				er or operator shall perform the testing specified in Subparagraph (a) of Paragraph
31	(2) of Subsection			NMAC within 60 days from the anomalous operation.
32	1 · D	(3)		onducting periodic testing of a heater, the owner or operator shall follow the
33				section C of 20.2.50.119 NMAC. An owner or operator may deviate from those
34				request to use an alternative procedure to the department at least 60 days before
35				the alternative procedure request, the owner or operator must demonstrate the
36				to the standard procedure. The owner or operator must receive written approval
37	from the departn	-		cting the periodic testing using an alternative procedure.
38	1 41	(4)		a monitoring event, the owner or operator shall date and time stamp the event,
39	and the required			atry shall be made in accordance with this Part.
40	NMAC.	(5)	The own	ner or operator shall comply with the monitoring requirements of 20.2.50.112
41 42	D.	Dogord	lzaanina s	requirements: The owner or operator shall maintain a record of the following:
42	υ.			dentification number and location (latitude and longitude) of the heater;
44		(1)		y of the complete test report and the results of periodic testing; and
45		(2)		ons, testing, maintenance, and repairs, which shall include at a minimum:
46		(3)	(a)	the date and time stamp, including GPS of the location, of the inspection,
47	testing, maintena	noo or r	` /	
48	testing, maintena	ance, or re	(b)	name of the person(s) conducting the inspection, testing, maintenance, or repair;
49			(c)	concentrations in the effluent stream of CO in ppmv and O_2 in volume percent;
50	and		(C)	concentrations in the efficient stream of eo in ppinv and o ₂ in volume percent,
51	unu		(d)	the results of the inspections and any the corrective action taken.
52		(4)	` /	ner or operator shall comply with the recordkeeping requirements in 20.2.50.112
53	NMAC.	(1)	1 110 O WI	to or operator shall compry with the recordice oping requirements in 20.2.30.112
54	E.	Renort	ing reani	rements: The owner or operator shall comply with the reporting requirements in
55	20.2.50.112 NM		r vqui	
56	[20.2.50.112 NM		XX/XX/2	20211
				a contract of the contract of

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20.2.50.120

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plants, or transmission compressor stations are subject to the requirements of 20.2.50.120 NMAC upon startup. The following facilities and operations are not subject to the requirements of this Section:

Applicability: Hydrocarbon liquid transfers located at existing well sites, standalone tank

batteries, gathering and boosting stations with one or more controlled storage vessels, natural gas processing plants,

transfers located at new well sites, standalone tank batteries, gathering and boosting stations, natural gas processing

or transmission compressor stations are subject to the requirements of 20.2.50.120 NMAC within two years of the

effective date of this Part. Hydrocarbon liquid transfers at existing gathering and boosting stations (including

associated tank batteries) without any controlled storage vessels are subject to the requirements of 20.2.50.120

NMAC on the schedule specified in Paragraph 1 of Subsection B of 20.2.50.123 NMAC. Hydrocarbon liquid

HYDROCARBON LIQUID TRANSFERS:

Any facility connected to an oil sales pipeline that is routinely used for hydrocarbon liquid transfers;

- Well sites, standalone tank batteries, gathering and boosting stations, natural gas processing plants, or transmission compressor stations not connected to an oil sales pipeline that load out hydrocarbon liquids to trucks fewer than thirteen (13) times in a calendar year; and
- Transfers of hydrocarbon liquid from a transfer vessel to a storage vessel subject to the emission standards in 20.2.50.123 NMAC.

В. **Emission standards:**

- The owner or operator of a hydrocarbon liquid transfer operation shall use vapor balance, vapor recovery, or a control device to control VOC emissions by at least ninety-five percent, when transferring hydrocarbon liquid from a storage vessel to a tanker truck or tanker railcar for transport. If a combustion control device is used, the combustion device shall have a minimum design combustion efficiency of ninety-eight percent.
- An owner, operator, or personnel conducting the hydrocarbon liquid transfer using vapor balance shall:
- transfer the vapor displaced from the transfer truck or railcar being loaded back (a) to the storage vessel being emptied via a pipe or hose connected before the start of the transfer operation. If multiple storage vessels are manifolded together in a tank battery, the vapor may be routed back to any storage vessel in the tank battery;
- ensure that the transfer does not begin until the vapor collection and return **(b)** system is properly connected;
 - (c) inspect connector pipes, hoses, couplers, valves, and pressure relief devices for
- leaks; (d) check the hydrocarbon liquid and vapor line connections for proper connections before commencing the transfer operation; and
- operate transfer equipment at a pressure that is less than the pressure relief valve setting of the receiving transport vehicle or storage vessel.
- Connector pipes and couplers shall be inspected and maintained to ensure there are no liquid leaks.
- Connections of hoses and pipes used during hydrocarbon liquid transfers shall be supported on drip trays that collect any leaks, and the materials collected shall be returned to the process or disposed of in a manner compliant with state law.
- Liquid leaks that occur shall be cleaned and disposed of in a manner that minimizes emissions to the atmosphere, and the material collected shall be returned to the process or disposed of in a manner compliant with state law.
- An owner or operator complying with Paragraph (1) of Subsection B of 20.2.50.120 NMAC through use of a control device shall comply with the control device requirements in 20.2.50.115 NMAC.

Monitoring requirements:

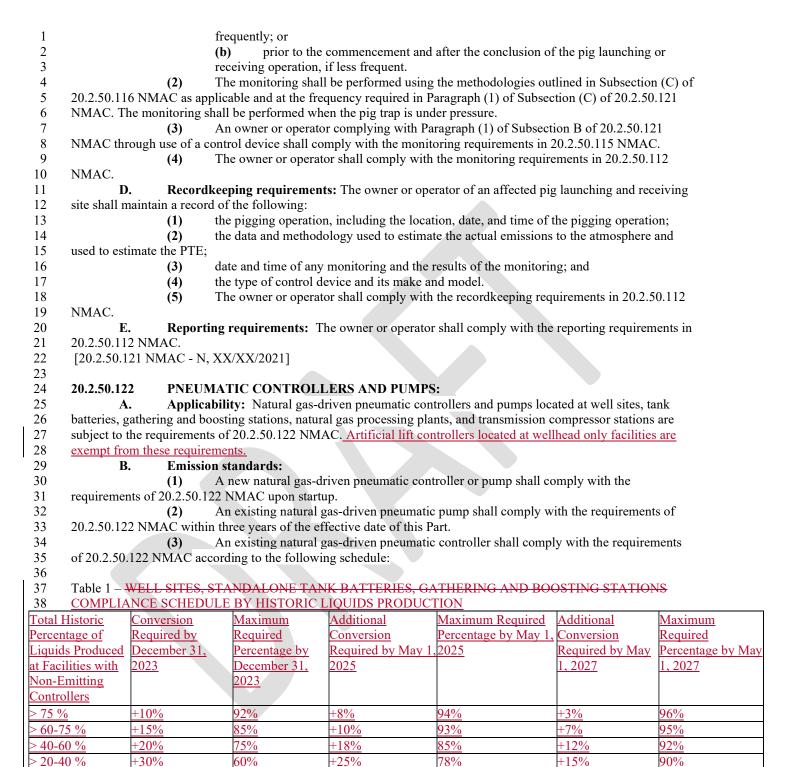
- The owner, operator, or their designated representative shall visually inspect the hydrocarbon liquid transfer equipment monthly at staffed locations and semi-annually at unstaffed locations to ensure that hydrocarbon liquid transfer lines, hoses, couplings, valves, and pipes are not dripping or leaking. At least once per calendar year, the inspection shall occur during a transfer operation. Leaking components shall be repaired to prevent dripping or leaking before the next transfer operation, or measures must be implemented to mitigate leaks until the necessary repairs are completed.
- The owner or operator of a hydrocarbon liquid transfer operation controlled by a control device must follow manufacturer specifications for the device.

1		(3)	Owners and operators complying with Paragraph (1) of Subsection B of 20.2.50.120				
1 2	NMAC through		ontrol device shall comply with the monitoring requirements in 20.2.50.115 NMAC.				
3	INMAC unfough	(4)	Prior to any monitoring event, the owner or operator shall date and time stamp the event,				
4	and the monitori		atry shall be made in accordance with the requirements of this Part.				
5	and the moment	(5)	The owner or operator shall comply with the monitoring requirements in 20.2.50.112				
6	NMAC.	(3)	The owner of operator shall compty with the monitoring requirements in 20.2.30.112				
7	D.	Recordi	keeping requirements:				
8	ъ.	(1)	The owner or operator shall maintain a record of the following:				
9		(1)	(a) the location of the facility;				
10			(b) if using a control device, the type, make, and model of the control device;				
11			(c) the date and time stamp, including GPS of the location, of any inspection;				
12			(d) the name of the person(s) conducting the inspection;				
13			(e) a description of any problem observed during the inspection; and				
14			(f) the results of the inspection and a description of any repair or corrective action				
15	taken.		(1) and recount of the inspection and a decomplical of any repair of contesting action				
16		(2)	The owner or operator shall maintain a record for each site of the annual total				
17	hydrocarbon liqu		erred and annual total VOC emissions. Each calendar year, the owner or operator shall				
18			cord summarizing the annual total hydrocarbon liquid transferred and the annual total				
19	calculated VOC						
20		(3)	The owner or operator shall comply with the recordkeeping requirements in 20.2.50.112				
21	NMAC.	(-)					
22	E.	Reporti	ng requirements: The owner or operator shall comply with the reporting requirements in				
23	20.2.50.112 NM	AC.					
24	[20.2.50.120 NM	IAC - N, 2	XX/XX/2021]				
25							
26	20.2.50.121	PIG LA	UNCHING AND RECEIVING:				
27	Α.	Applica	bility: Individual pipeline pig launcher and receiver operations with a PTE equal to or				
28	greater than one tpy VOC located within the property boundary of, and under common ownership or control with,						
29	well sites, tank batteries, gathering and boosting stations, natural gas processing plants, and transmission compressor						
30	stations are subje	ect to the i	requirements of 20.2.50.121 NMAC.				
31	В.	Emissio	n standards:				
32		(1)	Owners and operators of affected pipeline pig launcher and receiver operations shall				
33	capture and reduce VOC emissions from pigging operations by at least ninety-five percent within two years of the						
34	effective date of this Part. If a combustion control device is used, the combustion device shall have a minimum design						
35	combustion efficiency of ninety-eight percent.						
36		(2)	The owner or operator conducting an affected pig launching and receiving operation				
37	shall:						
38			(a) employ best management practices to minimize the liquid present in the pig				
39	receiver chamber and to minimize emissions from the pig receiver chamber to the atmosphere after receiving the pig						
40	in the receiving	chamber a	and before opening the receiving chamber to the atmosphere;				
41			(b) employ a method to prevent emissions, such as installing a liquid ramp or drain,				
42		ressure ch	amber to a low-pressure line or vessel, using a ball valve type chamber, or using multiple				
43	pig chambers;						
44			(c) recover and dispose of receiver liquid in a manner that minimizes emissions to				
45	the atmosphere t	o the exte	nt practicable; and				
46	1.	4 24 1	(d) ensure that the material collected is returned to the process or disposed of in a				
47	manner compliant with state law.						
48	(3) The emission standards in Paragraphs (1) and (2) of Subsection B of 20.2.50.121 NMAC						
49	cease to apply to an individual pipeline pig launching and receiving operation if the actual annual VOC emissions of the launcher or receiver operation are less than one tpy of VOC.						
50	ine launcher or r						
51	NIM A C 41 1	(4)	An owner or operator complying with Paragraph (2) of Subsection B of 20.2.50.121				
52 53	_		ontrol device shall comply with the control device requirements in 20.2.50.115 NMAC.				
53 54	С.	(1)	ring requirements: The owner or operator of an affected pig launching and receiving site shall inspect the				
JT		(1)	The owner of operator of an affected pig fauntining and receiving site shall hispect the				

a monthly basis if pigging operations at a site occur on a monthly basis or more

equipment for leaks using AVO, RM 21, or OGI on either:

(a)



3	9
4	0

0-20 %

+35%

Total Historic Percentage	Total Required	Total Required	Total Required
of Non Emitting	Percentage of Non-	Percentage of Non-	Percentage of Non-
Controllers	Emitting Controllers by	Emitting Controllers by	Emitting Controllers by
	January 1, 2024	January 1, 2027	January 1, 2030

75%

+25%

90%

+25%

50%

1
2

> 75%	80%	85%	90%
≥ 60·75%	80%	85%	90%
> 40−60%	65%	70%	80%
> 20 40%	4 5%	70%	80%
0.20%	25%	65%	80%

Table 2 – TRANSMISSION COMPRESSOR STA	ATIONS AND GAS PROCESSING PLANTS
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Total Historic Percentage	Total Required	Total Required	Total Required
of Non-Emitting	Percentage of Non-	Percentage of Non-	Percentage of Non-
Controllers	Emitting Controllers by	Emitting Controllers by	Emitting Controllers by
	January 1, 2024	January 1, 2027	January 1, 2030
> 75%	80%	95%	98%
> 60-75%	80%	95%	98%
> 40-60%	65%	95%	98%
> 20-40%	50%	95%	98%
0-20%	35%	95%	98%

(4) Standards for natural gas-driven pneumatic controllers.

(a) new pneumatic controllers shall have an emission rate of zero.

(b) existing pneumatic controllers shall meet the required percentage of non-emitting controllers within the deadlines in tables 1 and 2 of Paragraph (3) of Subsection B of 20.2.50.122 NMAC, and shall comply with the following:

(i) by January 1, 2023, the owner or operator shall determine the total controller count for all controllers at all of the owner or operator's affected facilities that commenced construction before the effective date of this Part. The total controller count must include all emitting pneumatic controllers and all non-emitting pneumatic controllers, except that pneumatic controllers necessary for a safety or process purpose that cannot otherwise be met without emitting natural gas shall not be included in the total controller count.

(ii) determine which controllers in the total controller count are non-emitting and sum the total number of non-emitting controllers and designate those as total historic non-emitting controllers.

 (iii) determine the total historic non-emitting percent of controllers by dividing the total historic non-emitting controller count by the total controller count and multiplying by 100.

(iv) based on the percent calculated in (iii) above, the owner or operator shall determine which provisions of tables 1 and 2 of Paragraph (3) of Subsection B of 20.2.50.122 NMAC apply and the replacement schedule the owner or operator must meet.

(v) if an owner or operator meets at least seventy-five percent total non-emitting controllers by January 1, 2025, the owner or operator is not subject to the requirements of tables 1 and 2 of Paragraph (3) of Subsection B of 20.2.50.122 NMAC.

(vi) if after January 1, 2027, an owner or operator's remaining pneumatic controllers are not cost-effective to retrofit, the owner or operator may submit a cost analysis of retrofitting those remaining units to the department. The department shall review the cost analysis and determine whether those units qualify for a waiver from meeting additional retrofit requirements.

(c) a pneumatic controller with a bleed rate greater than six standard cubic feet per hour is permitted when the owner or operator has demonstrated that a higher bleed rate is required based on functional needs, including response time, safety, and positive actuation. An owner or operator that seeks to maintain operation of an emitting pneumatic controller must prepare and document the justification for the safety or process purpose prior to the installation of a new emitting controller or the retrofit of an existing controller. The justification shall be certified by a qualified professional or inhouse engineer.

(d) Temporary pneumatic controllers that emit natural gas and are used for well abandonment activities or used prior to or through the end of flowback, and pneumatic controllers used as emergency shutdown devices located at a well site, are not subject to the requirements of Subsection B of 20.2.50.122 NMAC.

(e) Temporary or portable pneumatic controllers that emit natural gas and are onsite for less than 90 days are not subject to the requirements of Subsection B of 20.2.50.122 NMAC.

(5) Standards for natural gas-driven pneumatic diaphragm pumps.

NMAC.

(a) new pneumatic diaphragm pumps located at natural gas processing plants shall have an emission rate of zero.

(b) new pneumatic diaphragm pumps located at well sites, tank batteries, gathering and boosting stations, or transmission compressor stations with access to commercial line electrical power shall have an emission rate of zero.

- (c) existing pneumatic diaphragm pumps located at well sites, tank batteries, gathering and boosting stations, natural gas processing plants, or transmission compressor stations with access to commercial line electrical power shall have an emission rate of zero within two years of the effective date of this Part.
- (d) owners and operators of pneumatic diaphragm pumps located at well sites, tank batteries, gathering and boosting stations, or transmission compressor stations without access to commercial line electrical power shall reduce VOC emissions from the pneumatic diaphragm pumps by ninety-five percent if it is technically feasible to route emissions to a control device, fuel cell, or process. If there is a control device available onsite but it is unable to achieve a ninety-five percent emission reduction, and it is not technically feasible to route the pneumatic diaphragm pump emissions to a fuel cell or process, the owner or operator shall route the pneumatic diaphragm pump emissions to the control device within two years of the effective date of this Part.

C. Monitoring requirements:

- (1) Pneumatic controllers or diaphragm pumps not using natural gas or other hydrocarbon gas as a motive force are not subject to the monitoring requirements in Subsection C of 20.2.50.122 NMAC.
- (2) The owner or operator of a facility with one or more natural gas-driven pneumatic controllers subject to the deadlines set forth in tables 1 and 2 of Paragraph (3) of Subsection B of 20.2.50.122 NMAC shall monitor the compliance status of each subject pneumatic controller at each facility.
- (3) The owner or operator of a natural gas-driven pneumatic controller shall, on a monthly basis, conduct an AVO or OGI inspection, and shall also inspect the pneumatic controller, perform necessary maintenance (such as cleaning, tuning, and repairing a leaking gasket, tubing fitting and seal; tuning to operate over a broader range of proportional band; eliminating an unnecessary valve positioner), and maintain the pneumatic controller according to manufacturer specifications to ensure that the VOC emissions are minimized.
 - (4) The owner or operator's database shall contain the following:
 - (a) natural gas-driven pneumatic controller unique identification number;
 - (b) type of controller (continuous or intermittent);
 - (c) if continuous, design continuous bleed rate in standard cubic feet per hour;
 - (d) if intermittent, bleed volume per intermittent bleed in standard cubic feet; and
 - (e) if continuous, design annual bleed rate in standard cubic feet per year.
- (5) The owner or operator of a natural gas-driven pneumatic diaphragm pump shall, on a monthly basis, conduct an AVO or OGI inspection and shall also inspect the pneumatic pump and perform necessary maintenance, and maintain the pneumatic pump according to manufacturer specifications to ensure that the VOC emissions are minimized.
- The owner or operator of a natural gas-driven pneumatic controller shall comply with the requirements in Paragraph (3) of Subsection C or Subsection D of 20.2.50.116 NMAC. During instrument inspections, operators shall use RM 21, OGI, or alternative instruments used under Subsection D of 20.2.50.116 NMAC to verify that intermittent controllers are not emitting when not actuating. Any intermittent controller emitting when not actuating shall be repaired consistent with Subsection E of 20.2.50.116 NMAC. Pneumatic controllers found emitting detectable emissions are not subject to enforcement by the department unless the owner or operator fails to determine whether the pneumatic controller is operating properly, fails to perform any necessary response, fails to keep required records, or fails to submit reports in accordance with the rule.
- (7) Prior to any monitoring event, the owner or operator shall date and time stamp the event, and the monitoring data entry shall be made in accordance with the requirements of this Part.
 - The owner or operator shall comply with the monitoring requirements in 20.2.50.112

D. Recordkeeping requirements:

- (1) Non-emitting pneumatic controllers and diaphragm pumps are not subject to the recordkeeping requirements in Subsection D of 20.2.50.122 NMAC.
- (2) The owner or operator shall maintain a record of the total controller count for all controllers at all of the owner or operator's affected facilities that commenced operation before the effective date of this Part. The total controller count must include all emitting and non-emitting pneumatic controllers.
 - (3) The owner or operator shall maintain a record of the total count of natural gas-driven

pneumatic controllers necessary for a safety or process purpose that cannot otherwise be met without emitting VOC. 1 2 The owner or operator of a natural gas-driven pneumatic controller subject to the 3 requirements in tables 1 and 2 of Paragraph (3) of Subsection B of 20.2.50.122 NMAC shall generate a schedule for 4 meeting the compliance deadlines for each pneumatic controller. The owner or operator shall keep a record of the 5 compliance status of each subject controller. 6 The owner or operator shall maintain an electronic record for each natural gas-driven 7 pneumatic controller. The record shall include the following: 8 pneumatic controller unique identification number: (a) 9 (b) time and date stamp, including GPS of the location, of any monitoring; 10 name of the person(s) conducting the inspection; (c) AVO or OGI inspection result; 11 (d) 12 AVO or OGI level discrepancy in continuous or intermittent bleed rate; (e) record of the controller type, bleed rate, or bleed volume required in 13 **(f)** 14 Subparagraphs (b), (c), (d), and (e) of Paragraph (4) of Subsection C on 20.2.50.122 NMAC. 15 maintenance date and maintenance activity; and (g) 16 a record of the justification and certification required in Subparagraph (c) of 17 Paragraph (4) of Subsection B of 20.2.50.122 NMAC. 18 The owner or operator of a natural gas-driven pneumatic controller with a bleed rate 19 greater than six standard cubic feet per hour shall maintain a record documenting why a bleed rate greater than six 20 scf/hr is necessary, as required in Subsection B of 20.2.50.122 NMAC. 21 The owner or operator shall maintain a record for a natural gas-driven pneumatic pump 22 with an emission rate greater than zero and the associated pump number at the facility. The record shall include: 23 for a natural gas-driven pneumatic diaphragm pump in operation less than 90 24 days per calendar year, a record for each day of operation during the calendar year. 25 a record of any control device designed to achieve at least ninety-five percent 26 emission reduction, including an evaluation or manufacturer specifications indicating the percentage reduction the 27 control device is designed to achieve. 28 records of the engineering assessment and certification by a qualified (c) 29 professional or inhouse engineer that routing pneumatic pump emissions to a control device, fuel cell, or process is 30 technically infeasible. 31 The owner or operator shall comply with the recordkeeping requirements in 20.2.50.112 **(8)** 32 NMAC. 33 E. Reporting requirements: The owner or operator shall comply with the reporting requirements in 34 20.2.50.112 NMAC. 35 [20.2.50.122 NMAC - N, XX/XX/2021] 36 37 20.2.50.123 STORAGE VESSELS 38 Applicability: New storage vessels with a PTE equal to or greater than two tpy of VOC, existing 39 storage vessels with a PTE equal to or greater than three tpy of VOC in multi-tank batteries, and existing storage 40 vessels with a PTE equal to or greater than four tpy of VOC in single tank batteries are subject to the requirements 41 of 20.2.50.123 NMAC. Storage vessels in multi-tank batteries manifolded together such that all vapors are shared 42 between the headspace of the storage vessels and are routed to a common outlet or endpoint may determine an 43 individual storage vessel PTE by averaging the emissions across the total number of storage vessels. Storage vessels 44 associated with produced water management units are required to comply with this Section to the extent specified in 45 Subsection B of Section 20.2.50.126. 46 B. **Emission standards:** 47 An existing storage vessel subject to this Section shall have a combined capture and 48 control of VOC emissions of at least ninety-five percent according to the following schedule. If a combustion control 49 device is used, the combustion device shall have a minimum design combustion efficiency of ninety-eight percent. 50 By January 1, 2025, an owner or operator shall ensure at least 30% of the (a) 51 company's existing storage vessels are controlled;

By January 1, 2027, an owner or operator shall ensure at least an additional 35%

By January 1, 2029, an owner or operator shall ensure the company's remaining

A new storage vessel subject to this Section shall have a combined capture and control of

(b)

(c)

existing storage vessels are controlled.

(2)

of the company's existing storage vessels are controlled; and

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PROPOSED 20.2.50 NMAC 1 VOC emissions of at least ninety-five percent upon startup. If a combustion control device is used, the combustion 2 device shall have a minimum design combustion efficiency of ninety-eight percent. 3 4 storage vessel if the actual annual VOC emissions decrease to less than two tpy. 5 If a control device is not installed by the date specified in Paragraphs (1) and (2) of 6 7 8 well until the control device is installed and operational. 9 10 11 12 vessel overpressure is relieved. 13 14 15 20.2.50.115 NMAC. 16 Storage vessel measurement requirements: Owners and operators of new storage vessels 17 18 19 20 power shall be outfitted with a lease automated custody transfer (LACT) unit(s). 21 The owner or operator shall keep thief hatches (or other access points to the vessel) and 22

- The emission standards in Subsection B of 20.2.50.123 NMAC cease to apply to a
- Subsection B of 20.2.50.123 NMAC, an owner or operator may comply with Subsection B of 20.2.50.123 NMAC by shutting in the well supplying the storage vessel by the applicable date, and not resuming production from the
- The owner or operator of a new or existing storage vessel with a thief hatch shall ensure that the thief hatch is capable of opening sufficiently to relieve overpressure in the vessel and to automatically close once the vessel overpressure is relieved. Any pressure relief device installed must automatically close once the
- An owner or operator complying with Paragraphs (1) and (2) of Subsection B of 20.2.50.123 NMAC through use of a control device shall comply with the control device operational requirements in
- required to be controlled pursuant to this Part at well sites, tank batteries, gathering and boosting stations, or natural gas processing plants shall use a storage vessel measurement system to determine the quantity of liquids in the storage vessel(s). New tank batteries receiving an annual average of 200 bbls oil/day or more with available grid
- pressure relief devices on storage vessels closed and latched during activities to determine the quantity of liquids in the storage vessel(s), except as necessary for custody transfer. Tank batteries equipped with LACT units shall use the LACT unit measurements in lieu of field testing of quantity and quality except in case of malfunction. Nothing in this paragraph shall be construed to prohibit the opening of thief hatches, pressure relief devices, or any other openings or access points to perform maintenance or similar activities designed to ensure the safety or proper operation of the storage vessel(s) or related equipment or processes. Where opening a thief hatch is necessary, owners and operators of new and existing storage vessels shall minimize the time the thief hatch is open.
- The owner or operator may inspect, test, and calibrate the storage vessel measurement system either semiannually, or as directed by the Bureau of Land Management (see 43 C.F.R. Section 374.6(b)(5)(ii)(B) (November 17, 2016)) or system manufacturer. Opening a thief hatch if required to inspect, test, or calibrate the vessel measurement system is not a violation of Paragraph (1) of this Subsection.
- The owner or operator shall install signage at or near the storage vessel that indicates which equipment and method(s) are used and the appropriate and necessary operating procedures for that system.
- The owner or operator shall develop and implement an annual training program for employees and third parties conducting activities subject to this Subsection that includes, at a minimum, operating procedures for each type of system.
- The owner or operator must make and retain the following records for at least two (2) years and make such records available to the department upon request:
 - date of construction of the storage vessel or facility; (a)
 - description of the storage vessel measurement system used to comply with this **(b)**

Subsection:

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- date(s) of storage vessel measurement system inspections, testing, and (c) calibrations that require opening the thief hatch pursuant to Paragraph (3) of this Subsection;
- manufacturer specifications regarding storage vessel measurement system inspections and/or calibrations, if followed pursuant to Paragraph (3) of this Subsection; and
- records of the annual training program, including the date and names of persons trained.
- D. Monitoring requirements: No later than January 1, 2023, the owner or operator of a storage vessel shall:
- **(1)** monthly, monitor, or calculate or estimate, the total monthly liquid throughput (in barrels) and the upstream separator pressure (in psig) if the storage vessel is directly downstream of a separator. When a storage vessel is unloaded less frequently than monthly, the throughput and separator pressure monitoring shall be conducted before the storage vessel is unloaded;
- conduct an AVO inspection on a weekly basis. If the storage vessel is unloaded less frequently than weekly, the AVO inspection shall be conducted before the storage vessel is unloaded;

l		(3)	inspect the storage vessel monthly to ensure compliance with the requirements of
2 3	20.2.50.123 NMA	C. The	inspection shall include a check to ensure the vessel does not have a leak;
3		(4)	prior to any monitoring event, date and time stamp the event and enter the monitoring
4			ne requirements of this Part; and
5		(5)	comply with the monitoring requirements in 20.2.50.115 NMAC if using a control device
6			ements in Paragraphs (1) and (2) of Subsection B of 20.2.50.123 NMAC.
7		(6)	comply with the monitoring requirements of 20.2.50.112 NMAC.
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8			keeping requirements: No later than January 1, 2023, the owner or operator of a storage
9			he following requirements:
0		(1)	Monthly, maintain a record for each storage vessel of the following:
1			(a) unique identification number and location (latitude and longitude);
12			(b) monitored, calculated, or estimated monthly liquid throughput;
13			(c) the upstream separator pressure, if a separator is present;
4			(d) the data and methodology used to calculate the actual emissions of VOC (tpy);
15			(e) the controlled and uncontrolled VOC emissions (tpy); and
6			(f) the type, make, model, and identification number of any control device.
17		(2)	Verify each record of liquid throughput by dated liquid level measurements, a dated
8	delivery receipt fr		purchaser of the hydrocarbon liquid, the metered volume of hydrocarbon liquid sent
9	downstream, or of		
20		(3)	Make a record of the inspections required in Subsections C and D of 20.2.50.123 NMAC,
	including:	(-)	,
22	g-		(a) the date and time stamp, including GPS of the location, of the inspection;
73			(b) the person(s) conducting the inspection;
24			(c) a description of any problem observed during the inspection; and
25			(d) a description and date of any corrective action taken.
21 22 23 24 25 26		(4)	Comply with the recordkeeping requirements in 20.2.50.115 NMAC if complying with
7		` /	raphs (1) and (2) of Subsection B of 20.2.50.123 NMAC through use of a control device
28			ordkeeping requirements in 20.2.50.115 NMAC.
29		(5)	The owner or operator shall comply with the recordkeeping requirements in 20.2.50.112
30	NMAC.	ъ .	
31			ing requirements:
32		(1)	An owner or operator complying with the requirements in Paragraphs (1) and (2) of
33			23 NMAC through use of a control device shall comply with the reporting requirements in
34	20.2.50.115 NMA		
35		(2)	The owner or operator shall comply with the reporting requirements in 20.2.50.112
36	NMAC.		
37	[20.2.50.123 NM	AC - N,	XX/XX/2021]
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39			WORKOVERS
10			ibility: Workovers performed at oil and natural gas wells are subject to the requirements
11	of 20.2.50.124 NN	MAC as	of the effective date of this Part.
12	В.	Emissio	on standards: The owner or operator of an oil or natural gas well shall use the following
13	best management	practice	s during a workover to minimize emissions, consistent with the well site condition and
14	good engineering		
15		(1)	reduce wellhead pressure before blowdown to minimize the volume of natural gas
16	vented;	()	
1 7	•	(2)	monitor manual venting at the well until the venting is complete; and
18		(3)	route natural gas to the sales line, if possible.
19			ring requirements:
50		(1)	The owner or operator shall monitor the following parameters during a workover:
51		(*)	(a) wellhead pressure;
52			(a) we fine at pressure, (b) flow rate of the vented natural gas (to the extent feasible); and
52 53			
)) []		(2)	(c) duration of venting to the atmosphere. The expression of venting to the atmosphere.
54		(2)	The owner or operator shall calculate the estimated volume and mass of VOC vented
55	during a workove		The service of the latest term o
56		(3)	The owner or operator shall comply with the monitoring requirements in 20.2.50.112

1 NMAC. 2 D. Recordkeeping requirements: 3 The owner or operator shall keep the following record for a workover: 4 unique identification number and location (latitude and longitude) of the well; 5 **(b)** date the workover was performed: 6 wellhead pressure; (c) 7 (d) flow rate of the vented natural gas to the extent feasible, and if measurement of 8 the flow rate is not feasible, the owner or operator shall use the maximum potential flow rate in the emission 9 calculation: 10 duration of venting to the atmosphere; 11 description of the best management practices used to minimize release of VOC **(f)** 12 emissions before and during the workover; calculation of the estimated VOC emissions vented during the workover based 13 14 on the duration, volume, and gas composition; and 15 the method of notification to the public and proof that notification was made to 16 the affected public. 17 The owner or operator shall comply with the recordkeeping requirements in 20.2.50.112 18 NMAC. 19 E. Reporting requirements: 20 The owner or operator shall comply with the reporting requirements in 20.2.50.112 21 NMAC. 22 If it is not feasible to prevent VOC emissions from being emitted to the atmosphere from a workover event, the owner or operator shall notify by certified mail, or by other effective means of notice so long 23 24 as the notification can be documented, all residents located within one-quarter mile of the well of the planned 25 workover at least three calendar days before the workover event. If the workover is needed for routine or emergency downhole maintenance to restore 26 27 production lost due to upsets or equipment malfunction, the owner or operator shall notify all residents located 28 within one-quarter mile of the well of the planned workover at least 24 hours before the workover event. 29 For the purpose of notifications pursuant to Paragraphs (2) and (3) of Subsection E of this 30 20.2.50.124 NMAC, residents shall include those individuals in manufactured, mobile, and modular homes, except 31 that any such manufactured, mobile, or modular home intended for temporary occupancy or for business purposes 32 should be excluded. The owner or operator shall calculate the one-quarter mile distance from residents based on the 33 distance from the latitude and longitude of wellheads to 1) the property line for schools, 2) the property line for 34 outdoor venues and recreation areas, 3) the location of buildings or structures used as a place of residency, and 4) 35 the location of commercial buildings. 36 [20.2.50.124 NMAC - N, XX/XX/2021] 37 38 SMALL BUSINESS FACILITIES 20.2.50.125 39 **Applicability:** Small business facilities as defined in this Part are subject to Sections 20.2.50.125 40 41 this Part unless specifically identified in 20.2.50.125 NMAC. 42

NMAC and 20.2.50.127 NMAC of this Part. Small business facilities are not subject to any other requirements of

В. General requirements:

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- The owner or operator shall ensure that all equipment is operated and maintained consistent with manufacturer specifications, and good engineering and maintenance practices. The owner or operator shall keep manufacturer specifications and maintenance practices on file and make them available to the department upon request.
- The owner or operator shall calculate the VOC and NO_x emissions from the facility on an annual basis. The calculation shall be based on the actual production or processing rates of the facility.
- The owner or operator shall maintain a database of company-wide VOC and NO_x emission calculations for all subject facilities and associated equipment and shall update the database annually.
- The owner or operator shall comply with Paragraph (9) of Subsection A of 20.2.50.112 **(4)** NMAC if requested by the department.
- Monitoring requirements: The owner or operator shall comply with the requirements in C. Subsections C or D of 20.2.50.116 NMAC.
- 55 **Repair requirements:** The owner or operator shall comply with the requirements of Subsection E of 20.2.50.116 NMAC.

records related to the VOC emissions calculation protocol required in

(c)

	20.2.50.126 NMAC, including the results of the sampling conducted in accordance with the
protocol; and	
	(d) a record of the annual total VOC emissions from each unit.
	(2) The owner or operator shall comply with the recordkeeping requirements in 20.2.50.112
NMAC.	
Е.	Reporting requirements: The owner or operator shall comply with the reporting requirements in
20.2.50.112 NM	
[20.2.50.126 NN	MAC - N, XX/XX/2021]
20.2.50.127	REQUIREMENTS FOR FLOWBACK VESSELS AND PREPRODUCTION OPERATIONS
<u>A.</u>	Applicability: Wells undergoing recompletions and new wells being completed at an existing wellhead
	to the requirements of 20.2.50.127 NMAC one year after the effective date of this Part. New wells
	a new wellhead site that commence completion or recompletion after the effective date of this Part are
-	equirements of 20.2.50.127 NMAC.
<u>B.</u>	Emissions standards:
	(1) the owner or operator of a well that begins flowback on or after the effective date of this
	t and control emissions from each flowback vessel on and after the date flowback is routed to the
	by routing emissions to an operating control device that achieves a hydrocarbon control efficiency
	rcent. If a TO or ECD is used, it must have a design destruction efficiency of at least 98 percent for
hydrocarbons.	
	(a) the owner or operator shall ensure that a control device used to comply with
	rds in this Part operates as a closed vent system that captures and routes VOC emissions to the
control device, a	and that unburnt gas is not directly vented to the atmosphere.
	(b) flowback vessels must be inspected, tested, and refurbished where necessary to
ensure the flowb	back vessel is in compliance with 20.2.50.127.B(1)(a) NMAC prior to receiving flowback.
	(c) the owner or operator shall use a vessel measurement system to determine the
quantity of liqui	ds in the flowback vessel(s).
	(i) Thief hatches or other access points to the flowback vessel must remain
closed and latch	ed during activities to determine the quantity of liquids in the flowback vessel(s).
	(ii) Opening the thief hatch or other access point if required to inspect, test,
or calibrate the	vessel measurement system or to add biocides or chemicals is not a violation of
20.2.50.115.H(1	(a)(i) NMAC.
C.	Monitoring
	(1) Owners and or operators of a well with flowback that begins on or after the effective date
of 20.2.50 NMA	AC, must conduct daily visual inspections of the flowback vessel and any associated equipment,
including	
	(a) visual inspection of any thief hatch, pressure relief valve, or other access point
to ensure that th	ey are closed and properly seated.
	(b) visual inspection or monitoring of the control device to ensure that it is
operating.	() A second to the second to
	(c) visual inspection of the control device to ensure that the valves for the piping
from the flowba	ick vessel to the control device are open.
D.	Recordkeeping
<u> </u>	(1) The owner or operator of each flowback vessel subject to Paragraph (1) of Subsection B
of Section 20.2	50.127 NMAC must maintain records for a period of five (5) years and make them available to the
NMED upon red	
TAMED upon rec	(a) the API number of the well and the associated facility location, including
latitude and lone	gitude coordinates.
latitude and fong	(b) the date and time of the onset of flowback.
	(c) the date and time the flowback vessels were permanently disconnected, if
applicable.	the date and time the nowback vessels were permanently disconnected, if
аррисаотс.	(d) the date and duration of any period where the control device is not operating.
	(e) records of the inspections required in Paragraph (2) of Subsection B of Section
20.2.50.127 NIM	IAC, including the time and date of each inspection, a description of any problems observed, a
	date of any corrective action(s) taken, and the name of the employee or third party performing
corrective action	<u>1(8).</u>

20.2.50.1287

A.

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HISTORY OF 20.2.50 NMAC: [RESERVED]

enforcement action under Section 74-2-12 NMSA 1978.

PROHIBITED ACTIVITY AND CREDIBLE EVIDENCE

requirements of this Part within the timeframes specified shall constitute a violation of this Part subject to

third party indicates that a source is not in compliance with the provisions of this Part that evidence or information

may be used by the department for purposes of establishing whether a person has violated or is in violation of this

Failure to comply with the emissions standards, monitoring, recordkeeping, reporting or other

If credible evidence or information obtained by the department or provided to the department by a

CERTIFICATE OF SERVICE

This certifies that a true and exact copy of the foregoing *Closing Arguments on Behalf of Oxy USA Inc.* and *Oxy USA Closing Exhibit 1: Proposed Final 20.2.50 NMAC Revisions*, was filed with the Environmental Improvement Board Administrator and served on the following via electronic mail on January 20, 2022.

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